

# MANAGE



**NATIONAL CASH REGISTER'S DR. F. G. BARR:** "In human relations we can all benefit by letting ourselves be guided by our admirations rather than our disgusts."

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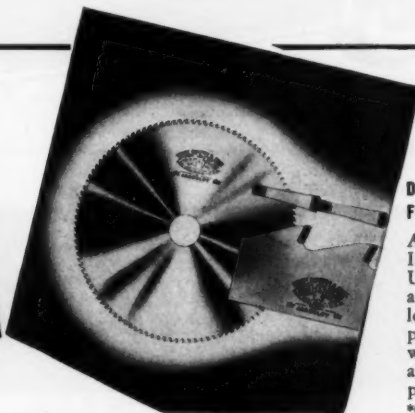
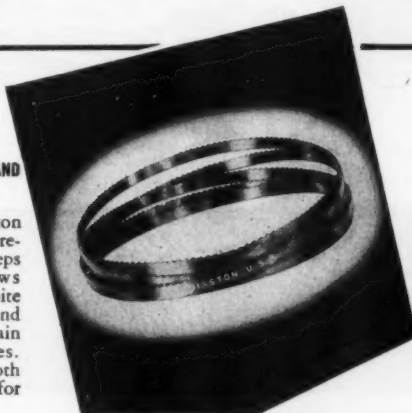
*He shows he knows MEN.* For the Disston name and prestige . . . the precision of Disston Tools . . . inspires workers to extend themselves—and to treat these tools with respect.

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### DISSTON CARBOLAY\* FITTED SAWS

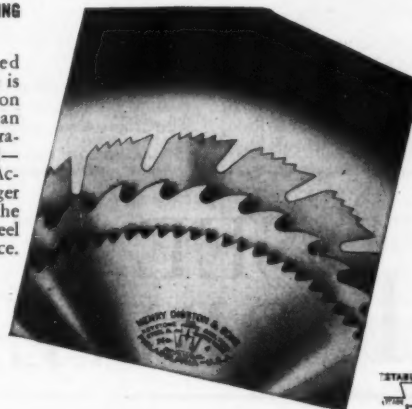
Available in Solid and Inserted Tooth types. Unexcelled for fast accurate cutting and long saw life. For ripping and cross cutting wood. Also for cutting abrasive materials and plastics.

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## Cover

**D**R. FREDERICK G. BARR is vice president in charge of Industrial Relations for The National Cash Register Company, Dayton. This Company is known throughout the country for the thought its management has always given to employee relations and for the fine spirit which exists within the organization.

Dr. Barr's own very human qualities, the fact that he is a physician and his long experience with the company fit him unusually well for this work in which he has been so successful. Start with the Company 37 years ago he has always been associated with either the medical department or personnel and for the past 18 years has been in charge of both.

For many years he worked closely with John H. Patterson, founder of NCR, a pioneer in the development of good employee and community relations. A speaker who holds his listeners with the sound common sense and fairness of his viewpoint, Dr. Barr has spoken many times to members of Foremen Clubs, in NAF seminars and has helped in many ways to advance the work in this Association. His talks are invariably followed by many questions from the floor which is indicative of the interest created.

In a full and busy life Dr. Barr has probably never taken time to analyze his own qualifications for the position he holds. However, if you were to ask those who know him . . . and admire him as a man and as an official of his Company, those in the factory and those in top management, they would undoubtedly place his genuine liking for people and his understanding of human nature at the top of the list.

As near as he has ever come to "putting" his philosophy of getting along with people in this statement made upon many occasions, "In human relations, we can all benefit by letting ourselves be guided by our admirations rather than our disgusts"—seek and emphasize the good points in people rather than the bad.

By following that creed throughout his own life, Dr. Barr has been of immeasurable service to his Company, to its employees and to the whole cause of better human relations in industry.

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# We Look At WASHINGTON

★ ★

**Y**OUR reporter writes this just after returning from Washington and witnessing the last days of the present session of Congress.

Congress is weary. Its members are snapping at each other, at their staffs, and in a few cases even at their constituents. Many have already departed—some on junkets abroad and others to their homes.

This condition is bad for well-reasoned legislation. An elevator boy in the Capitol summed it up. He said he expected to work through a night session or two, but that it would be worth it "to get rid of 'em."

No one is talking about labor legislation for this session. That is a dead issue for the present. There is considerable discussion, however, about what may happen on this issue in 1950.

There are those who maintain that the administration will not press for repeal of the Taft-Hartley Act next year. These strategists reason that the President and his assistants are more interested in politics and winning the Congressional election than anything else. They maintain that agitation for repeal is better political bait than if repeal were accomplished.

Another school of thought maintains that labor union leaders will insist on a repeal attempt next year. It, of course, will be on election year when one-third of the members of the Senate and all of the members of the House of Representatives must go before the voters. Members are more keenly sensitive to pressure from back home in such a year.

The very closeness of the vote on both sides of the Capitol on this issue earlier in the year also must be remembered. In the House a switch of ten votes on a number of roll calls and an even smaller number in the Senate would have changed the result completely. With the scales so evenly balanced, the forces working for repeal are certain to demand action.

Whatever the result may be and even though the present session is not ended, forces on both sides of this question already are making plans and laying strategy for next year. The Democratic majority plans to issue a joint Congressional Committee Report on the operation and functioning of labor and management under the Taft-Hartley Act. The Republicans will likewise cause a minority report to be written. These will have some aspects

of political campaign material. Each will point to defects and will largely ignore the merits. Unfortunately, for the public, an unbiased appraisal by either side is unlikely.

The original Wagner Act was in effect from 1935 until 1947, or a period of 12 years without amendment. It is unfortunate that any legislation should remain on the books unamended for so long a period of time. Amendments to keep legislation abreast of changing conditions are particularly important in a field involving human relationships. Labor-management relations is not a static field. Rather it is one of

By

### Harry P. Jeffrey

NAF

## Legal Counsel



constant growth and change. Laws relating to it should be the subject of frequent and realistic changes.

It will be recalled that Senator Taft was co-author of the act of 1947 which bears his name and which amended the Wagner Act of 1935. Earlier in the present session of the Congress, Senator Taft sponsored 28 amendments to the Act of which he was co-author and which had been in effect less than two years. This was a recognition of the need for change as shown by experience and changing conditions. It is unfortunate that some of these proposed changes were not enacted into law.

We believe, irrespective of Congressional reports or the occasional blasts of politicians, that the provisions of the 1947 law with respect to supervisors and foremen have worked well in practice. Strikes or work stoppages among foremen are practically unknown. More important, the position of the foreman has been bettered both from the standpoint of financial reward and prestige.

It is interesting to note that the Foremen's Association of America (foremen's union) is still seeking to organize foremen for collective bargaining purposes and to obtain legal

*(Continued on Page 61)*

November 1949 **MANAGE**

*You've got to drive it to believe it!*

You can always tell an Oldsmobile "88"—not just by the numerals on the rear fender—but also by the way it *goes*! The first time you see that sleek Futuramic hood sweep ahead of the field, you get a hint of that "Rocket" Engine power. But to appreciate an "88," you've got to *try* it! Then—and only then—can you feel for yourself that swift-surging "Rocket" response... so smoothly delivered by Hydra-Matic Drive\*. Only then will you experience the maneuverability that goes with the "88's" compact Body by Fisher. And only then will you know the unique "88" sensation—that soaring, air-borne ease of travel! You've got to *drive* it to *believe* it—and your Oldsmobile dealer invites you to do so *soon*! Phone him—make a date with the "88"—discover the most thrilling "New Thrill" of all!



**"88"**  
**88**

**LOWEST-PRICED CAR  
WITH "ROCKET" ENGINE**



Above: Oldsmobile "88" Club Sedan. \*Hydra-Matic Drive standard equipment on Series "98" and "89," optional at extra cost on "76."

*"The New Thrill"*  
FUTURAMIC

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DIVISION OF GENERAL MOTORS

# NAF Convention AT WORK

Meat of the convention was in the sectional conferences, workshops, so arranged that any participant could attend four different ones. This one is being led by Cloyd Steinmetz, Owens-Corning Fiberglas Corporation's training director.



As Briggs' Landis (left), Convention co-chairman, presents President B. A. Hodapp—for his address of welcome.



Advance registrations were heavy. Nevertheless, the girls at the registration tables in the Statler were kept busy for hours as more management men converged upon Detroit.

Information was wanted—and given—promptly and effectively. Few, if any, Convention "islands" were busier.



OUR JEAN smiles sweetly during annual delegates meeting as Blaw-Knox's Jack Smith pins her with an orchid while an admiring audience applauds. No NAF Convention in recent years would have seemed complete without Jean Adams.

November 1949 **MANAGE**



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More and more motorists are comparing cars...

And more and more they're buying...

# DE SOTO



*Lets you drive without shifting*





Grayson Administrative Conference of Robertshaw-Fulton Controls Company's Grayson Division, Lynwood, California wins Zone A award at National Association of Foremen Convention. B. W. Messer (left) makes presentation to T. H. Jeffers.

Convair Management Club of Consolidated Vultee Aircraft Corporation at Fort Worth, Texas, wins NAF Zone B award. W. O'Bannon, Jr. (left) congratulates S. Keith, Jr.



Pratt & Litchworth Company 1848 Foremen's Club's M. Stover being congratulated by T. A. McCann (left) on Club's winning Zone D award.

## Zone Awards Winners



Hamilton Foremen's Club of Hamilton Manufacturing Company, Two Rivers, Wisconsin, wins Zone C award as R. A. Arduser (left) congratulates R. F. Gleichner.



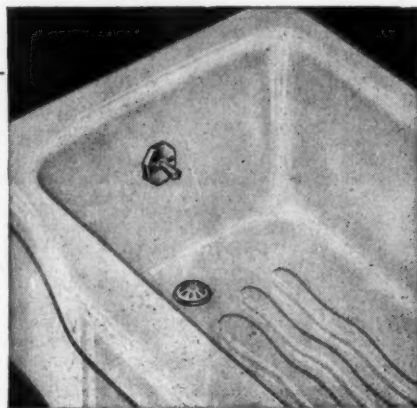
Pan American Airways Corporation P.A.A. Management Club wins Zone E award as Larry Porterfield (left) extends congratulations to Bill Saltz.



...obviously not a Briggs safety-bottom bathtub!

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No mistaking a Briggs Beautyware bathtub—because there's nothing like it in the business. It's die-formed *steel*. It's an easy-to-lift 110 pounds. It's leakproof at tub-wall line (thanks to an integral lip flange). It's superior in quality: *every* tub furnished in stainproof (acid resistant) porcelain enamel at no extra cost. To say nothing of its famous Safety-Bottom—safety hand grip—side-rim seat . . . greater level-bottom area! No wonder Briggs Beautyware—with its pace-setting design and moderate cost—is the best-to-be-had in plumbing fixtures today! Write now for new catalog featuring Briggs plumbing fixtures and Briggs brass. Briggs Manufacturing Co., 3000K Miller Ave., Detroit 11, Mich.



**BRIGGS** *Beautyware*

You're looking at the greatest boon to bathers ever invented: Briggs' patented Safety-Bottom. It's safer for sit-down or shower bathing, for getting in and out.



Professional entertainers "wow-ed" the house during NAF Convention.

*All work  
and no play  
... So ...*



Briggs Management Club's Minstrel Show performers make a hit as "sweepstakes winner" is interviewed.

Audience gets a bang out of fun night—rocks Detroit's solemn Masonic Temple with laughter and applause.

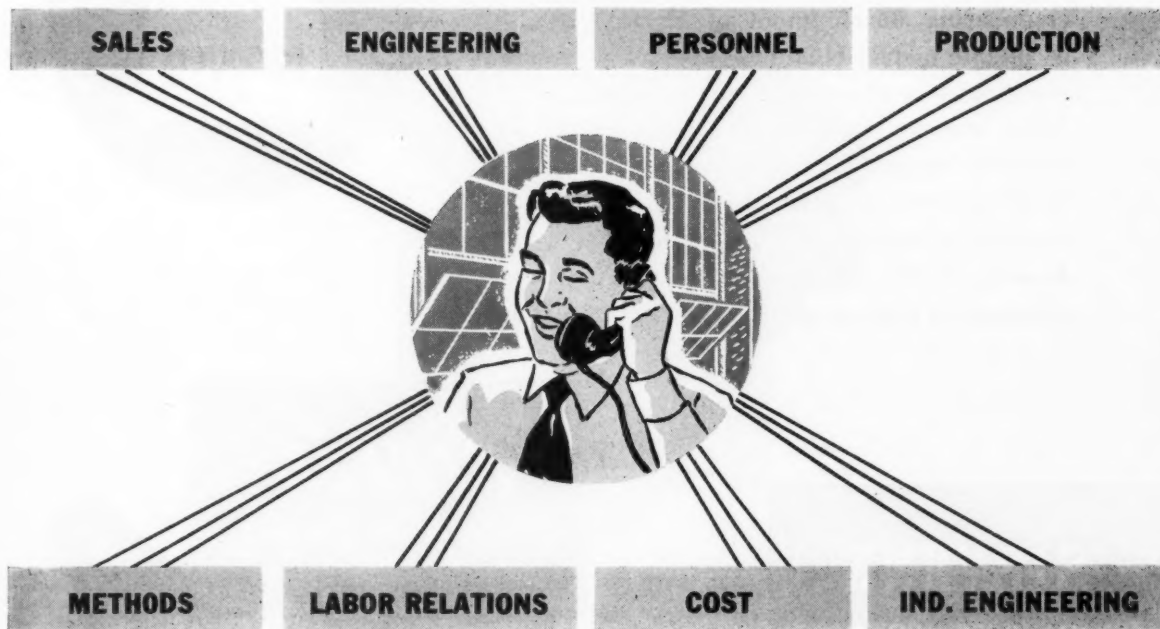


Dayton Foremen Club's renowned quartet does its stuff at Detroit meeting.



# AT REVERE

## THE FOREMAN IS IN THE KNOW



Foremen at Revere Copper and Brass Incorporated are thoroughly informed of all developments within the company. Their close contact with other management personnel is maintained through meetings, letters and booklets that are all a part of Revere's progressive Foremen's Understanding Program.

When Paul Revere founded the first copper mill in America, it is probable that his business associates were also his friends and neighbors. It is still recognized at Revere Copper and Brass Incorporated that everyone's future personal successes depend on the team-work of all. That's why we're all "partners in Revere."

# **REVERE**

## **COPPER AND BRASS INCORPORATED**

*Founded by Paul Revere in 1801*

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*Mills: Baltimore, Md.; Chicago, Ill.; Detroit, Mich.; Los Angeles and Riverside, Calif.; New Bedford, Mass.; Rome, N. Y.  
Sales Offices in Principal Cities, Distributors Everywhere.*

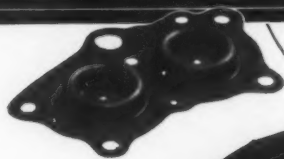
**SERVING INDUSTRY SINCE 1878**

● Since 1878, the Chicago Rawhide Manufacturing Company has specialized in the engineering, development and production of pliable materials and parts for hundreds of mechanical applications. These seventy years have been devoted to extensive research and practical field experience in the solution of every type of mechanical sealing and protection problem. As a result, Chicago Rawhide is able to provide products of highest quality and exceptional service.



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SCIENTIFIC COMPOUNDED  
ELASTOMERS



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PRODUCTS



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November 1949 **MANAGE**



# FOREMEN'S ASSOCIATION HEAD ADDRESSES ANNUAL MEETING

**M**R. Chairman, guests, honored delegates, Management Men of America. Greetings and a hearty welcome to you all on this occasion of our 26th annual convention. I speak not only for myself but for the 100 odd directors in NAF, the 42,000 management men from 1200 companies and over 300 clubs throughout our land. This is a distinct pleasure and I am most grateful for the opportunity. To all who have worked so hard to make this convention an assured success I pay tribute.

The efforts of the convention chairmen, the men and women of the various committees, are evident in everything about us and all that is to come. And to you attending this convention I ask that you take full advantage of the magnificent program, speakers, conferences, workshops, and special events prepared for your benefit. You have an obligation to the men back in your plant, to the men in your club and to industry to take an active part in all that transpires here in the next few days and to transmit it to those who weren't fortunate enough to attend.

**This is a working convention.** Your boss, your company or your club sends you here as a delegate and they hope for you to come back a smarter man. They hope by your example that the men back in the plant will be more intelligent from the experience that you will bring back to them. This is no vacation. When you accepted the position as a delegate or the honor of being allowed to attend our convention, for it is an honor, you volunteered to be a bigger man—on your job, in your company, in your community—because you owe it to your family, you owe it to your company and you owe it to your country. We in the NAF are looking squarely and without bias at industry's problems. We are spearheading the movements of unity, cooperation, teamwork in management. We are proud of what we have accomplished. We are determined in what we can and will do.

Let's take a look at the stated purposes that have been handed down to us through all these years: (1) to unite all levels of management into a smooth working team; (2) to provide time-proven ways and means for self development which result in the enrichment of personal life and improvement of work; (3) to provide a tested means for pooling ideas and resources and for mutual aid through a national association of management men; (4) to promote a professional spirit among management men of America thereby creating a set of principles and body of knowledge to which all may subscribe.

**Now our organization is the only organization capable of doing that bigger**

**Address of B. A. Hodapp  
President, The National  
Association of Foremen  
Detroit, September 22, 1949.**

**job.** That job of uniting into a smooth working team, of creating and maintaining unity in thought, purpose and action in all levels of management. Our organization has stood the test of time—26 years—we have grown constantly in membership, in stature and respect. And I think that is one of the greatest selling points that we have—the test of time—26 years.

We are not something that happened yesterday to take care of a situation today. Or happened today to take care



NAF President Hodapp: "We in the NAF are looking squarely and without bias at industry's problems . . . We are determined in what we can and will do."

of a situation that happened yesterday. Our biggest argument—we have stood the test of time.

Many times I have been approached by groups of foremen who have said, "Bernie, I think the NAF is a good deal. What specifically have you to offer in the association or are they going to do or have done that would cause us foremen to want to promote or spread your principles or philosophy?" Now I think that is a very, very good question because how many times have you been asked the same question? And how many times were you able to come up with the right answers? An acceptable answer? In my own plain shop language I would like to offer a few things for you to think about.

**Our association is working day and night** to promote the influence of the foreman and his welfare both locally and nationally. We serve as a strong voice, 42000 strong, on all issues and problems that affect the foremen. We are not a collective bargaining agency. We operate on the principles of sound American business and economy. Therefore we know that we have the support today, and that we are receptive to executive management. The executive is anxious to keep attuned to the foremen of America, to a strong independent management organization—and we shall keep pitching in just that direction.

As far as I know we are the only organization that is constantly working to promote the work and position of foremen in management as a profession. We know that no group can attain the status of a profession unless they have a strong national professional organization representing them. We have worked on this for many years and have made a little progress but the road ahead is still long and rocky. The prestige of the foreman and his job has been raised considerably due to efforts of our organization and the far-sighted men of vision who guided it all these years. The early pioneers of this organization are mostly men today who are leading big industry and business, and those who followed them worked untiringly to promote these principles. They represent the best in management and foremanship. We can profit by their example and their effort and in our attempts to do just that thing.

Our association works constantly as a clearing house of information and ideas for management men and helps in the solution of problems affecting the American foreman. The bond of association and the value of pooling ideas can most clearly be shown by the results. We are on the move, make no mistake about it. We shall be a greater and a greater force in the American way for all that is good and safe.

One more thing in speaking of the advantages of NAF, and I think it is of utmost importance. We will never rest until everyone, everywhere recognizes and appreciates that the foreman is and must remain a vital part of management. And we mean a real part with all of the recognition and with all the responsibilities that are due any other level of management. The very success of business hinges on how successful we are in promoting this idea. We are working in that direction, but remember that all the advantages of NAF are of no value unless you ask yourself this one question: "What am I doing, what can I give to NAF to make it stronger? Not what am I getting for

(Continued Page 62)

# WHAT PRICE SECURITY?



**"If the National Association of Foremen with its members distributed in businesses large and small across the country were to undertake a program of positive loyalty... we could begin a revival of American ideals that would be electrifying."**

**John E. Canaday**  
Public Relations Director, Lockheed Aircraft Corp.  
before  
National Association of Foremen Convention  
Detroit, September 23, 1949.

**I**F WE were to poll our people today as to that single element of life of greatest importance to them, the overwhelming vote would be "economic security." For almost 20 years economic security has been proclaimed as the ultimate goal of all living.

Life has always been insecure. Earlier in history the chief threats to security sprang from forces of nature: fire, flood, famine, pestilence, plague. Science and technology have solved most of these problems. Today, man's insecurity stems from fear and distrust whether he can cope with *self-made* difficulties.

The whole record of achievement in this country has been built on the willingness of men to take chances. Insistence upon unlimited opportunity—not security—has been the basic ingredient. The reason for the reversal in thinking is understandable when we think back to the dark depression days—ten million men out of work, their families suffering, often through no fault of their own, is not a pretty picture.

The instinct for man to protect himself and his against need is so strong that he has even sacrificed his freedom for it. And therein lies the tragic danger, for he becomes fertile soil for the dictator who holds out the one strong appeal of the totalitarian system: its promise of security without personal responsibility.

Once the state has unlimited authority, it will use that power to mask its mistakes—to maintain its power. Too late, the people find out that they have bartered away precious freedom for phantom security; and that security, based on forfeiture of liberty and free-

dom of growth, is no security at all.

In 1787, the delegates to the Constitutional convention in Philadelphia established a new concept of government—one recognizing the dignity of the individual man. It was based on the premise that all authority of government flows from the people.

Drawn by the greatest legal and business minds of the time, in the light of the experience of the ages, the Constitution was carefully designed to protect the individual—his life, his liberty, his property against any abuse of power by his servants in all branches of government.

**Government was to be his servant and not his master.** And to further assure the subservience of government to the people and to preserve their individual rights, at the first session of the first Congress under the new Constitution, 10 amendments (Bill of Rights) were proposed to prevent mis-construction or abuse of its powers.

In 150 years under the Constitution, we developed a higher standard of living and provided greater civil, religious and personal liberties than any other people in history have enjoyed.

In 1932 and 1933, this country began to adopt a new and very different political concept. It is based on the premise that all power and authority is vested in government. Born of the depression, this new philosophy was made attractive by the offer of something for nothing—security without individual responsibility. Following the invariable pattern of socialistic growth the people, blinded by temporary adversity, have slowly bartered away their heritage as free men in return for

Lockheed's Canaday: "The American enterprise battle must be won in the precincts of business and industry" . . . Graduated (A.B.) Univ. of California 1927; administrative officer UCLA 1929-38; to Lockheed 1938, now public relations director. Recent chairman Aircraft Industries Ass'n. Public Relations Com.; pres. UCLA Alumni Ass'n.; pres. Burbank Community Chest; v. p. Aviation Com. of Los Angeles C. of C.; numerous public relations professional societies.

a promise that they will be taken care of by a paternalistic government.

Under such innocently sounding terms as social security, public housing, socialized medicine, redistribution of wealth, parity income, crop control, price administration, wage stabilization, full employment and many other political and economic cure-alls, our government has steadily usurped more and more authority. Today, we are dangerously near the collectivist state in which the individual has no rights except those allowed by government.

Whether we like it or not, we are going through a revolution.

The modern technique of scientific revolution follows a well defined pattern. In it are nine major steps:

1. Capture the seat of government. (Get into office.)

2. Seize the economic power. (Use whatever means are required to gain control over the economy of the country.)

3. Mobilize, by propaganda, the forces of hatred and distrust. (Such as aligning the poor against the rich, emphasizing racial and class differences, aligning labor against management, breeding religious controversy.)

4. Reconcile and then attach to the revolution, the two great classes whose support is most necessary, but whose interests are economically opposed: the farmers and the industrial wage earners. (Accomplished by offering special favors to both groups—then bringing them together by the device: "You scratch my back and I'll scratch yours.")

5. Shackle or liquidate private business. (Achieved by such devices as the "emergency" regulations and controls of business by the state—then making them permanent; by government entry into business operations; by misuse of laws, intended to prevent monopoly and restraint of trade, to destroy efficiently operated and socially desirable private enterprises.)

6. Gain consent of the individual citizen by making him more and more dependent upon government. (The philosophy of something for nothing; the appeal of security from "the cradle to the grave" by the "generosity" of government.)

7. Bring about systematic reduction of all forms of rival authority. (Taking over by executive departments of authorities belonging to the legislative; invasion of states' rights by a central government.)

8. Sustain popular faith in an unlimited public debt. (An indispensable element—stems from the fact that although the government produces no

wealth, its very existence is dependent upon its ability to spend freely. What it cannot get by taxes it borrows from the people. Therefore the people must be persuaded that an unlimited public debt can be sustained.)

9. Make the government the greatest capitalist of all, so that ultimate control over all production and initiative will pass from private citizens to an all-powerful state. (Methods include encroachment on patent and licensing rights and gradual nationalization of basic industries.)

These nine steps all have a familiar ring. I am sure any thoughtful observer who will look at our pattern of government the past two decades will agree that we have been faithfully following the course of modern revolution.

Some will describe this trend as enlightened social evolution. They will deny any underlying plan to gradually overthrow the Republic and substitute a welfare state with dictatorial authority. But no one can gainsay the fact that we are traveling that road.

**What has been the effect of this new plan of government on our economy? What are prospects for the future? What kind of security can your children and mine look forward to?**

We have the largest national debt in our history. It stands today in excess of 250 billions. That is almost four times the total expenditures by our Federal Government from 1789 through 1920—a period of 132 years, which included World War I and two costly readjustment years that followed.

Our federal budget for the current fiscal year is about 45 billion dollars—just about equal to the total federal expenditures from 1789 through 1918.

We have become so accustomed to these huge figures it is difficult to appreciate what 45 billion dollars means. If you draw a line from Chicago to New Orleans, the assessed value of all property west of it would be approximately 40 billion dollars—five billion less than our current year's budget!

Some will say, let the rich worry about taxes and cost of government. I am just a wage earner. It doesn't hit me. The fact is, if all incomes of \$8,000 a year and over were wholly confiscated, they would only pay one-tenth the cost of government.

We hear a lot about why we can't have a good \$1000 automobile. I can give you one reason. When you buy a car in the \$1,600 to \$2,000 class, about \$450 represents some 200 taxes added to its cost.

There are 116 different taxes tailored into your suit of clothes—151 taxes baked into your loaf of bread.

A most dangerous feature of this modern technique of revolution is that the citizen doesn't realize it's going on, while in fact he is unwittingly aiding it.

Another dangerous attitude is the belief that "it can't happen here." We can burn the history books, but truth cannot be consumed by flames.

England is a perfect example of a country that has gone all the way in government planning and failed. Tradi-

tionally England was like us. With energy, initiative and competitive incentives as their principal resources, they built a great empire. They were able to develop a great industrial capacity and produce surpluses that enabled them to compete in world markets.

What happened in their coal industry is typical. For 20 years that industry has been buffeted around, constantly under investigation and criticism from the government. With the uncertainty growing out of such circumstances the operators had no incentive to improve production methods, to install new machinery. Their equipment and processes became obsolete. They could not operate profitably. Unemployment and labor strife resulted. Following the inevitable pattern, the government took over. Now they have even more strikes, more overhead, and less coal.

English coal miners have no loyalty to anyone. There are no longer any incentives to increase efficiency. Management has deteriorated.

**There is no substitute for the desire of man to better himself and his family.** Experience has proved no man will work long for the common good.

Most of us have forgotten that when the Pilgrim Fathers landed they established a Communist community. Each was required to contribute the fruits of his labor into a common storehouse. From this the government doled out to each an equal amount. Governor Bradford records that without incentives men would not work. The colony was soon faced with famine. It was then that each was given his own parcel of land with assurance that whatever it brought forth should belong to him and his. Governor Bradford writes that when the next harvest had come there was plenty instead of famine.

Every one of the British socialist na-

tionalization schemes is proving a dismal failure. Each is losing money. As incentive was lost, initiative was lost. Production went down.

The British are learning the hard way that you can't strengthen the weak by weakening the strong—that security cannot be purchased by bartering away human freedoms for futile promises. They are beginning to ask themselves "What price security?"

The sources of America's strength are well known to this group. The American economic strength, the greatness of our national institutions, are the product of free men unshackled by artificial controls, and stimulated by private hopes and private incentives.

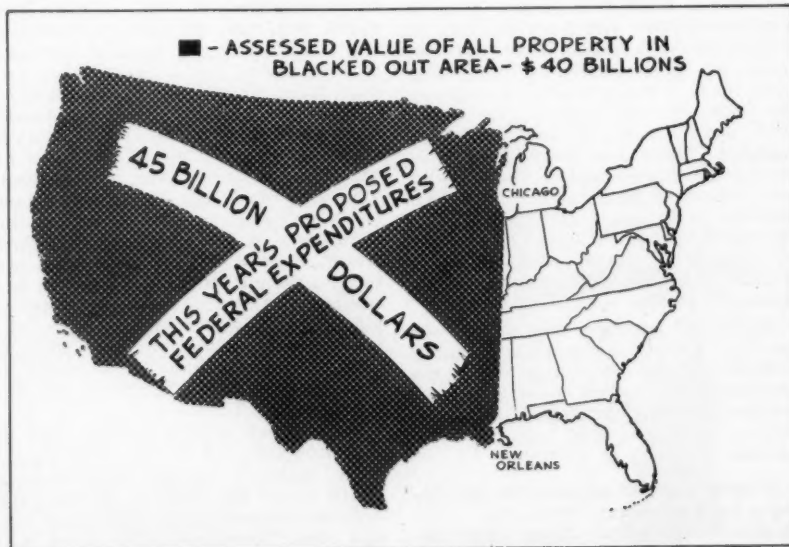
Josiah Royce, great educator of modern times, once said: "Unless you can find some sort of loyalty, you cannot find unity and peace in your active living."

As contemplated in Royce's definition, loyalty must be a positive thing. It demands a wholehearted, overflowing, self-effacing devotion to something bigger than one's self and outside one's self. Subjects of such fundamental loyalty are your family, your country, your company, your church, your home town.

If the National Association of Foremen with its members distributed in businesses large and small across the country were to undertake a program of positive loyalty—with all the devotion contemplated by this definition—we could begin a revival of American ideals that would be electrifying.

First each of us, as an individual, would have to arm himself with correct information about our American system of economics and government, and what makes it tick. The NAF could avail a carefully selected list of references from the volumes that have been prepared on these subjects. This would

(Continued Page 60)



**BLACKOUT OF AN AREA**—Showing how one year's budget (this year's) proposes expenditures by our Federal Government of \$5 billions more than the assessed value of all U. S. property west of the line drawn through Chicago and New Orleans.



# MANAGEMENT VISION...KEY TO THE FUTURE

C. A. Kothe, Attorney  
before  
National Association of Foremen  
Convention  
Detroit, September 22, 1949

**T**HIS is the second time I have talked to many of you. I hope to get the chance to come back. Today the platform approach to our varied problems is one of "prophesies of gloom"—emphasis on the anxiety aspect. There is no novel or original approach in that. Through the years there have been so-called great men who have risen and been dwarfed by their fears. Today there are those who can make greater oratories of that which impends as our doom than as our opportunity.

Now not for one minute in any of the little matters that I have to say do I wish to deprecate the necessity for reckoning with those forces that are adverse among us. I am the first to recognize that false optimism could be more destructive than truth. The little point I endeavor to make is that there be more corrective than gloom—coming to grip realistically with facts and approaching them in a positive rather than a negative manner.

In the ancient story of Pandora's box, when all the ills of men were realized, but one thing remained and that was hope—but that was enough. As long as man has hope he has enough. But there are two kinds of hope. There is a pollyanna hope: "hope everything comes out all right" and there is a hope that is tantamount to faith—a faith that inspires action, a faith that is a passionate conviction, a faith that is a vision. Faith is a frantic fever or a dull monotony and I am thinking of a faith that is a frantic fever. Because there are those among us today who have made a studied effort to destroy the faith in our system—the basic truth upon which this nation has been founded. There are those leaders in prominent places today that would lure others to believe that American business is no longer capable of meeting the challenge—that the freedom of our enterprise system needs an overhauling—at least much regulation, restraint and some compulsion.

And there are those that believe we can have a draft to a planned economy without inroads on things that have made us great. Indeed one of our great leaders, in a nationwide hookup, rather naively said not long ago "a little planned economy is all right."

**A little planned economy is like being a little pregnant.** There is no modification stage of that status. There can be no compromise with freedom—and a planned economy is a compromise with freedom. A surrender of any part of our freedoms for a simulated se-



**TULSA'S KOTHE:** "A little planned economy is like being a little pregnant" . . . New Jersey born (1912) C. A. Kothe attended Bucknell; then A.B. University of Tulsa, LL.B. Univ. of Okla. Member firm Kulp, Pinson, Lupardus & Kothe, he specializes in administrative law esp. labor relations. Past pres. Tulsa and Oklahoma Junior C. of C. and v.p. U. S. Junior C. of C.; active many civic organizations; panel member American Arbitration Assn.

curity is a cataract in our national vision. There are leaders who advocate such who are visionary rather than farsighted, who are in some cases down-right pink-eyed. I think you probably know that definition of a "pink". A "pink" is a fellow who is too "yellow" to be "red." And we have lots of them.

So we have those who, by the temporary tinsel of a belief that they have a hold of some kind of momentary gain greater than freedom, will pledge it to the destruction of that which is the preservation of their greater interests for themselves and their children. You might well say, objectively observing them, that they are making monkeys of themselves, but it is a rather unkind thing to say about a monkey.

There are those who are credulously and emotionally disturbed today, clutching on to rumored instances of unfairness, discrimination, enslavement, who are motivated largely by their emotions rather than by facts. But the propagandists deal in glossed-over half truths. Typical of their approaches are those screen portrayals of men in big business, American business—inevitable pop-bellied, bloated, cigar-smoking, up-to-his-ears-in-dollars fellows, from whom you have to, in order to get a square deal, extract it by demand and fight.

In one such motion picture—just as an illustration of it—as some handsome, stalwart, upright, good looking youth leaves his factory, the machine becomes animated and looks up at him and says: "Goodbye, John. They will take care of me. They will oil and grease me. I am important. Goodbye." And as he goes out the door, the door becomes animated and the portals open

and it belches out "Goodbye, John. Don't worry about me, they will take care of me. I am important. They will paint me." And so as he goes out dejected, laid off, no chance to explain his case, comes on the inevitable character of big business in that kind of slanted media. He is riding in a car so big he can't move it across one frame of the film—it comes across by sections—and so here is the chauffeur and then later comes the big ole boy, smoking cigars lined with dollar bills and John says: "Goodbye, boss." The boss pays no attention. He is not interested in people, not interested in employees—after all, if the guy is laid off, he doesn't have any time.

But he says: "I have a plan where you can make more profits."

"Profits! Profits! Did somebody say profits? Boy! Boy! Come over here, my boy."

And he is interested. So the sharpened, distorted notion of American business is that its greed complex is only on the profits—not interested in men. And, of course, at the end of the picture they get across the fundamental message that was intended—there is possible a bare economic security that we can extract, but we have to fight! Fight! Fight! Fight! Fight!

**Is that true? Is it necessary, to get a fair break from business, that men have to fight it?** Well, if that is, then we ought to do something about it.

But it is not true. However, as important as the facts themselves are is what the people believe the facts to be. And today we have a situation that illustrates the negative approach of a very prominent business men's organization, international in scope, a service club, that at a convention this last summer, by resolution dropped from its motto that part of the slogan which said "he profits most who serves best." And for the reason, as they released to the press, that there may be a false impression attached to the word "profits." Frightened or petrified by their own vocabulary! If it is essential to change from our thinking that which is identified with profits—"he profits most who serves best"—we had better change some of the New Testament, for indeed the parable of the tares is a predicate for the truth. He does profit most who serves best, and there is nothing that I know of that is disrespectful or sinful about profit.

Today, as we approach these problems, we become blinded by expressions and glossed-over facts. We are indeed engaged in a competition for the minds of men.

Not long ago back East I was attending some plays prominent at the moment. I was particularly interested in one advertised as stark realism—the play with a message, a play they predicted would have a long run.

## "You can't sell America on a platform of statistics - - or with full page ads telling how many more bathtubs we have here than in Russia . . ."

It was built around an emotional situation wherein a young GI returned from war and became associated with his father in business. The father was represented as typifying American business. He was unintelligent, ruthless, uncouth, conniving, had cheated his own government, was a man who would cheat, wrong and defraud his fellow men to a point where his son finally sickened of him. In one of the high points, the boy arises emotionally and says: "Oh for the return-of war, where on the battlefield the best of man is manifested. Where, as here in this sickening mass, men are just palms and victims of the kind of trickery, deceit and fraud in which you are engaged"—and he fell upon his father. That was the play with a message. Stark realism.

Is it realism? Is it true that that is American business? Well, if it is, as I said, we better adjust our sights. But I have had the good fortune to meet with top management and management of all levels from coast to coast throughout almost every year of my experience. I find for the most part that management—of course there are exceptions in all circumstances—but for the most part management is fair minded.

In Pershing Square one day, a young fellow rose to a park bench. He attracted a crowd of men of an age level I was interested in and I walked over. Standing up to his full height and conviction he said: "Capitalism has failed. We need a government to provide us with opportunities."

Then he rocked back to listen to what he had said. And they all buzzed up and hurraed "Amen."

So I drifted away, thinking about it. Is that right? Do we need a government to take care of us? Well, last week in Tulsa one of the top men in American government addressed a convention of labor, and among his quoted remarks in our local press was this: "Men, we have just begun to fight."

**Who does he mean and who is he fighting?** And for what cause? Today he or those whose thinking he represents dries up the daring adventure capital by lopsided legislation, administrative process, compulsion of favored groups. His fight will have been lost because his income will have been imperilled. From whence does he derive his income? From your income and mine. From whence do we derive ours? From the profitable income of American business.

Our prosperity, our strength, our hope for the future, our vision of anything greater depends on continuation of profitable American business. For those who prefer to depend upon a government for security must first inquire from whence our government acquires its financial strength. No one will be concerned about taxes if you

stop the vitality of business (its profits) and prevent the refueling of them in the seeds of new tools. The easiest way to relieve yourself of the anxiety of income tax is to get out of the "net-profit" business—but when you get out of the net-profit business, you don't stay in business very long.

**There's nothing sinful about profit.** Indeed, when profits go from American business you have tapped its heart, its vitality, and am I saying now that I should oppose such demands of organized labor. Am I saying that I am opposed to organized labor? I hope I have not left that ridiculous impression. Nothing could be more stupid. Organized labor is intimately and permanently a part of our social processes as any other function today. The point I seek to make is that our full vision is in leadership and our responsibility is to dispel the half truth. No people will continue to enjoy the fruits of our high standard today if we stand in fear of government rather than in charge of it.

One hundred years ago the wealthiest nation, could not command a telephone, a radio, an automobile, light switch, a refrigerator, a washing machine, or any of a thousand and one other things that we have made commonplace. Why? Because it just wasn't available for purchase. But today we produce more of them than any other nation in the world. Was it our government that did it? Did our government direct it? No. It was done by capital and labor—under a free opportunity system, under a framework of government that respected and emphasized freedom, liberty and opportunity, not paternalistic guaranteed security. To those who would say let the government do these things, let's look at the government doing them. Where private industry today can build a hospital at \$12,000 per bed-unit, the cheapest the government has ever done it is \$21,000. For the most part its \$51,000 per bed. The highest priced labor and materials in America today can build a simple five-room home for \$15,000, but when your government does it, as it is doing with 1000 homes in an area today, each one cost \$58,000.

Should we be concerned by these facts? Just to pay the interest on your government public debt requires the equivalent of that required to pay the entire operation of government in every phase of it just 16 years ago. And yet this "top-hand" in government has the temerity to say we have just begun to fight—and this lad who would rise to a park bench and say: "We want the government to give us opportunity, security. Capitalism has failed."

Well the vision of management is not a "fight" as this slanted misfit and misguided government leader would have us believe. American management is not engaged in a fight with anyone—

either for a political action committee or any high-pressure system. Ours is the responsibility of facing facts and communicating those facts to our people—and there is no better medium than through levels of supervision to that of the foremen.

And bear this in mind. You can't sell America on a platform of statistics with full-page ads telling how many more bathtubs we have than Russia—how many more autos than Liberia. The only thing you do is stir up the "parking problem". That isn't what the working man is interested in.

**He is interested in when and how soon he can get the latest model.** He wants the realistic facts of his opportunities. And we dare not overlook this man. He is the man to whom some say: "There is a Ford in your future," but others say: "Yes, but you have to fight the selfish interest to get it. Fight! Fight! Fight! That is the way we got the 8-hour day. That is the way we got the workmen's compensation. That is the way we got paid vacations. That is the way we got severance pay and sick leave. You have got to fight for it."

It would serve no useful purpose for me to pick to pieces American management. I don't claim for it any absolute proof. But I do say that at least we can reflect on how much finer it would have been that all American management and capital share with labor that which labor counts as their gains by virtue of a fight. And as I said a year and a half ago, get ready for realistic reckoning with retirement plans and pension programs. Sit down and realistically analyze them—the future hopes with respect to them—and an enlightened group I feel will prevail ultimately when they have the facts, the true facts.







Methodism's Dr. Crane: "Now these are the facts: proffered flower—pricked thumb" . . . Illinois born (Danville—1890); graduate Boston (Mass.) Latin School (U. S. oldest educational institution); Wesleyan Univ. in Connecticut; Boston University School of Theology, graduate work at Harvard. Pastors in Maine, Massachusetts, Pennsylvania, preceding appointment to present church. Averages better than an address a day around the country; extensive world travels; many fraternal and civic organizations.

This report of Dr. Crane's address is availed by means of a partial wire recording and notes of an observer. Necessarily, it is not entirely verbatim and is somewhat condensed.—Editor.

**I** SHOULD like to take this opportunity to draw your attention to the significant part that you play in the preservation of this so-called democratic way of life.

As a preacher it is my job to try to master the art of living in terms of the highest that we know.

It is not my job to take sides in controversies, in terms of personalities.

If a man wants to live in terms of the highest that he can conceive, then he ought to be in the Christian Church. So we have in our Church, this particular church of mine, representatives of all areas and all fields and all interests. And because of that fact I speak with a certain freedom that otherwise I might not feel.

I likewise speak in terms of one terrific conviction. That conviction is that the closest implementation of the Christian ideal in the whole political area that I know of is the democratic ideal. Democracy, in other words, I conceive to be the closest approximation of the adequate implementation of Christianity that there is.

The large job I think right now is for us to recognize that our highest task is to put democracy to work in the industrial fields as thoroughly and conscientiously as we clamor for its preservation in the political field. How is that to be done? I conceive that to be, gentlemen, your primary job. And in the light of the testings of our own im-

mediate day you can well realize what a gigantic task you have. You are the key men who can make or break democracy.

In this relationship between top management and the employee, you're the key men. I know some of you are top management. But I understand that most of you are the foremen, the supervisors, who translate the word of top management to the employee and implement it. That is the most critical and significant position that I know of.

First of all then let me get at it this way. I have two major convictions that I should like to share with you.

The first conviction is this: We have got to develop a new approach to this problem which is basically psychological—not technological—but psychological. And there is a certain simplicity which, if recognized, will become as sort of a key. This idea, which I think is essentially simple, is the amazing power that every man has in exercising the right of "emphasis."

There are just two things of supreme importance in any given situation.

One: the facts. Whatever the facts may be those facts must be recognized as such—not distorted or twisted or misrepresented but recognized for what they are and stated frankly and fearlessly.

But the second is much more important. The second factor is your interpretation of those facts. Every man has this high privilege of interpreting facts.

Suppose I were to try to express a friendly, gracious attitude toward some lovely creature, some lady friend that I might be interested in and I wanted to say something nice and suppose for instance, I were to defer it to the technique of the florists and were to offer her flowers. Suppose I proffered her a rose. A dark red rose—my favorite flower—and suppose she accepted it. And as she reached for it, a thorn on the stem would prick her thumb. It would pain her and make her thumb bleed.

Now here are the facts, indisputable: proffered flower; pricked thumb. Now notice—all the difference in that relationship depends upon interpretation and the interpretation depends upon what you wish to emphasize.

Suppose, as she takes this rose, she is upset at the fact that her thumb has been pricked and she is suffering and the blood comes and it terrifies her. She grabs it and says: "Well that is a fine how-do-you-do. That is just like that thing. He is trying to stab me, that is what he is trying to do." Then I look at her and see the stupid reaction and see how bungling she is as she tried to take hold of the flower, and tries to resent it, and she resents it more, and so there we go—everything is just as tense as it can be. If on the other hand, she says: "How stupid of me. But, oh, what a beautiful—oh isn't that a lovely

—well what a gracious thing for you to do." Then I reciprocate and then again the flow of friendship and everything is amicable.

Now you act as though that were very simple and it is. I say it as simply as I can, that you may "cinch" the significance of it.

Do you realize, men, that most of the problems in this world augment themselves to incredible size for no other reason than our stupid habit of mis-emphasis?

Because of the habitual emphasis we are giving to anything that is *wrong* with each other, we create an atmosphere in which democracy can very easily blow up.

What is the key to democracy? The very key of democracy is the recognition that there is something fundamental, fair, and right in every human being—and that if you give it a chance to manifest itself it will. That is the first assumption of democracy—that every human being amounts to something and that he must be recognized and listened to as a person.

**That is the first thing I am talking about—this capacity for men to choose the emphasis that they wish to make and that is of stupendous significance. And you are the key man in its making.**

The second thing I want to talk about is the fundamental idea of voluntary cooperation. There are two ways that men are supposed to be able to cooperate. One is the compulsory part—taking the authority from without and superimposing it—and it always is futile. Because many are fooled by appearances, they never get to the reality that is behind those appearances.

So if I am a bigger man, say, than you are, I think I can push you around and make you do what I want you to do. So if you say: "Come over here Bud," and I say, "I don't want to";



"Thank goodness he's normal—I was afraid of evolution" . . . As Dr. Crane says, in our relationships, we must try to get the other fellows point of view—ask ourselves how we "would act in that same sort of situation."

# On An Old Problem

Dr. Henry Crane, Pastor, Central Methodist Church of Detroit  
before National Association of Foremen Convention  
Detroit, September 23, 1949

I say, "Look, you come on" and I grab you and because I can sock you harder than you can sock me I bring you over. You see I entertain the vast illusion that you are there. Of course your body is there. But your body without you is pretty useless. Actually, you are still back there and you are resenting your body being taken over there and you are saying: "Wait until I get a chance and I'll show him." All the while I thought I had got you over there. It is that kind of illusion that is always at the core of the "force" technique. It is never adequately effective over any period of time and the thing that is so deadly about it is that it looks so effective for a little time.

The other kind of cooperation is voluntary cooperation on the part of the individual under the leadership of the men he knows—so that he will say: "I want to do this because I can enhance something—I can enhance my work, I can enhance my own personal action, enhance my own wages, enhance my own efficiency." There is an atmosphere of amiability and friendship, good relations and all the rest wrapped up in that, once you can achieve them.

Now these two ideas: First, the main "emphasis"—and the second, the idea of a new kind of "cooperation"—none of this cooperation that comes from coercion because, thank God, the average American won't take it. And because we won't take it we are genuinely preserved from dictatorship. When they begin folding up and taking it from you or from me or from anybody else, they put in jeopardy the whole concept of

democracy. We've either got to win our men by persuasion and by the validity of our contentions—by trying to understand—making them feel that they belong—or else we move into some sort of American brand of dictatorship which will be the worst of all kinds if ever we do, because whatever we do we do to the extreme.

Now lastly I would like to talk about this biggest idea that has hit the modern world, I guess—the idea is called the culture concept. Have you heard anything about that?

There is a book recently out by Stuart Chase. I don't care what you think about Stuart Chase. That is not the point. I care about what he says in this book. And Stuart Chase's latest book is the "Proper Study of Mankind." That ought to be on the desk of every foreman and management that I know and he ought to live with it. It is sort of a management bible.

In this book he points out this fact: that the only thing that is desperately difficult to do is to change the culture patterns of any given group. That can't be done by any arbitrary technique at all.

By culture we mean the way any given society lives. By a society we mean a group that has learned to work together—most of the time with great friction, some of the time with considerable ease. But culture is the way they live. It is the total of all their behavior patterns. This culture is the thing that motivates and moves them more than anything else because it is a summation of virtually everything else as it has been transmitted by the foregoing generation and through the sensitive age when they were babies, when they were little children, when they are growing. . . .

We have this conventional pattern, the factory picture in our mind, namely the group. First are the employees and they are there to do the job we tell them to do and not ask anything about the control or changes. That is none of their business—and certainly not to involve themselves in management. That's our prerogative. And "I am not going to have any invasion from the labor ranks". When we ask them to do something, do it and get their pay. That is all we ask.

Then come the supervisors. They who are supposed to tell labor what they have been told by top management or the engineers. Then come the specialists, the technologists who know how to draw the plans and make the programs and give the patterns generally and they hand them down after they have been given their orders by top management. Top management is

"In this relationship between top management and the employee you're the key men . . . who translate the word of top management to the employee and implement it. That is the most critical and significant position that I know of."

supposed to say we pay them their wage and that is supposed to be enough. Now that is the old fashioned, typical factory pattern and it violates virtually everything in our cultural pattern. That is why, despite all this efficiency we gain, we are not making human beings. We are creating all sorts of tension and antagonisms.

What are we to do about them?

There have been some very significant experiments. They point to the necessity of developing a group consciousness in your factory—a sort of family group consciousness—a culture pattern in the factory. What they aim at is making the factory a part of society. And out of these experiments there have been discovered certain fundamentals which ought to help men to function in the factory as they do in society. What are these fundamentals?

The first is response: being recognized, having something recognized more than mere pay—that they are persons.

Second, a sense of status—that they really amount to something and that they are really important.

Third, the craving for a leader of their own choosing.

Fourth, need for friends so when you come to work you are in a friendly group, not with a group that are going to bat you around.

Fifth, a chance to work off frustration—to blow off steam.

Sixth, a feeling of security—that you are not a victim of the whim of somebody so that if he doesn't like you, you are fired—so that there is a feeling of security that you belong.

And last, the realization that there is an opportunity for new experiences. That is what everybody is saying—that there is new means, that there is new experience.

Now these seven universals or fundamentals are what we mean by bringing the culture concept to the factory system and making that factory a society. When we begin to do this we are democratizing our relationships. When we choose (1) the right emphasis, and (2) guarantee the development of a voluntary cooperation, and (3) glorify and implement the culture concept, I think we will do more to preserve our democracy than all the ballyhoo there is in the world.



"If a man wants to live in terms of the highest that he can conceive—then he ought to be in the Christian Church."

# What is Devaluation?

By Fred G. Clark and Richard Stanton Rimanoczy\*

**T**O understand devaluation, we must first understand that the 20th Century money is not "natural" money: It is given unreal arbitrary value by the governments which control it.

The real value of money is determined by the quantity of goods it will bring in the market place.

The American dollar is most valuable because American production makes it so: The "goods content" of America's supply of currency is still higher than any other currency in the world, even though it is only about half of what it was before it was devaluated in 1933.

Were it not for international trade, the artificial values placed on currencies would not be so hard to maintain because the governments can pretty well control what their citizens do with it. But in those countries which depend to a great extent upon foreign trade, this semi-state-money gets into serious trouble.

## Let's look at the British situation as an example.

After the war Britain was almost broke and needed every penny of American money it could get its hands on. The English pound, which used to be worth almost \$5.00, was, in its goods content, actually worth about \$2.50. But it was pegged at \$4.03 in order to get every possible penny out of British trade with America.

Now, what does this actually mean?

An American workman who earned \$4.03 produced \$4.03 worth of goods. A British workman who earned a pound produced about \$2.50 worth of goods. When these were exchanged between the two nations, the American worker who bought the British goods for \$4.03 actually got \$2.50 worth.

As stated before, this didn't make much difference in England because the workers were trading even, just using more pounds to exchange less goods. But it was inevitable that the American worker was not going to keep on trading dimes for nickels, and the pressure got too tough for the British Labor Government to stand.

The new value of \$2.80 is probably not low enough, but it is pretty close.

## But although devaluation takes the pressure off foreign trade problems, it creates new domestic problems.

Let's look at the British workman again.

He has made his goods an honest value to the American worker, but the advantage he used to have over the American worker (getting \$4.03 worth of goods for \$2.50) is gone. He now has to pay about 40% more for American goods than he paid before devaluation. This makes his cost of living go up, and as a result, makes him seek higher wages.

Here's the catch: If he gets higher wages (for the same volume of production), the goods content of the pound goes down again, and he is right back where he started before the devaluation took place. And if he doesn't get higher wages, he is likely to get sulky about it and produce less for his wages, which, of course, would mean that the goods content of the pound would do down anyway.

**It is this vicious circle that now has almost every government in Western Europe on the hot seat.**

The British House of Commons is composed largely of loyal socialistic members sympathetic to the Labor Government, and the chances of unseating Atlee, Bevin, and Cripps is unlikely. But in the near future they must hold another general election, and it will be a critical test which many observers feel will bring an end to the Labor Government.

As matters now stand, only the strictest of union discipline has prevented major slowdowns and strikes on the part of British labor. No large group of intelligent workers will string along indefinitely with any government that does not improve their lot, regardless of whether it is called a Labor Government or a Tory Government.

The French Government could not stand the crisis of devaluation.

The fate of most of the other 23 governments which devaluated will probably be known by the time that this article gets to your desk.

It is interesting to note that the only important nation other than the United States that did not follow the pound down the skids is Russia. The ability of the Soviet to retain its currency value, however, is not the same as that of the United States.

Stalin need not fear what his workers' attitude may be on any subject. Having complete control of his workers and of his international trade, he can have almost any kind of currency set-up he desires.

## But there is another angle to devaluation: The nations that do not devalue face increased resistance in the export markets.

The workers in England cannot buy as much American goods as they used to. On the other hand, the American worker can buy more British goods than he used to, and being bargain hunters by nature, people are likely to take advantage of such situations.

It boils down to this: Devaluation makes it more difficult for America to export and also makes it more difficult to hold the domestic market on competitive items.

For example, it is now more difficult for America to sell food to England, and it is more difficult for American first-line shoe companies (for example) to sell shoes to Americans on account of the better "bargain" which the English shoe has become.

It would seem, however, that the threat of British goods to American manufacturers is not very real because of the British workers' unwillingness or inability to increase his production.

If goods did not come into America at the lower price, the volume of the goods would have to be 40% greater before England would even break even on the devaluation, and if history repeats itself, that is if the British workers behave as most workers have always behaved in a socialistic semi-slave economy, British production is simply not going to go up.

This would mean that the theoretical advantages of the devaluation program will not materialize.

\* Respectively general chairman and program director of the American Economic Foundation . . . —No. 4 in MANAGE Series of Economic Treatises.



PARIS

# Listen to History in the Making!

as told by HENRY J. TAYLOR  
after his round-the-world, fact-finding tour

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"Make no mistake about it. Nothing happens in the world today—even in the remotest areas—that does not have vital meaning for us here at home."

*Henry J. Taylor*

Henry J. Taylor probably has traveled farther, and probed deeper into the doubts and confusions, the hopes and fears of people and governments all over the world, than any other ace commentator in our time.

He has just returned to Your Land And Mine with factual information, acquired at first hand, about such perplexing problems as these—

What do people all over the world think and say about America? Are socialism and communism really being halted by American dollars? What do people the world over think of the United Nations, the Marshall Plan and the Atlantic Pact? How soon will the world experience economic recovery?

Since these problems concern every American householder and taxpayer, don't miss a single one of Mr. Taylor's forthcoming broadcasts. Ask your friends to listen too.

While on tour among these major cities of the world, Henry J. Taylor gained the on-the-spot facts he now reports in weekly broadcasts to America: Tokyo • Hong Kong • Bangkok • Calcutta • Damascus • Cairo • Istanbul • Rome • Trieste • Vienna • Frankfort • Berlin • Zurich • Paris • Brussels • London.

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"LET'S LOCK THE BARN DOOR, BOYS . . . when and if we get the horse back."

## Fact and Opinion

By The Editor

A new high in enthusiasm was reported to us during the annual NAF Convention in Detroit. Recently a new management club was initiated at American Forging and Socket Company of Pontiac, Michigan. It is a small group, forty members in all. We do not know exactly how it was worked out by the company, but every member was registered to attend the big management meeting—20 on the first day, then the other 20 on the second day.

It is improbable that such a feat could be achieved by any but a local or nearby group. It is a real achievement—a high point in managerial enthusiasm and a challenge indeed for clubs in future convention areas. Our congratulations to the men at American Forging and Socket Company.

Thoughtful Christmas presents from NAF Clubs to school and community libraries, to hospitals and other like institutions are annual subscriptions to MANAGE Magazine. When subscriptions for such institutions are paid for by NAF Clubs, the board of directors has authorized a special rate of \$2.50 a year. This is solid community relations activity and we believe it could be arranged with most librarians in such instances to place a sticker on each issue as received indicating the name of the local club which provided it. We'd suggest a supply of ready-to-

use stickers be provided the recipients in advance.

Even though the regular price would apply, some NAF members might find such MANAGE subscriptions suitable Christmas gifts for friends and relatives.

"The Supervisors Management Guide" is a recent handy volume published by the American Management Association, 330 W. 42nd St., New York 18, N. Y.—\$3.50. Its seven sections include:

1. Guides to Constructive Work Relations
2. Morale—The Keystone of Sound Employee Relations

3. The Qualities of Leadership
4. Developing Skill in Communication
5. Getting Results from Conference Training.
6. How Do You Rate as a Supervisor?
7. Management Policy and Goals

It's 18 chapters are authored by capable authorities in the subject fields and its study will prove extremely valuable to any supervisor who is alert to his broadened responsibilities today.

"Vitalizing the Foreman's Role in Management" by Glenn and Robert Gardiner—available from McGraw Hill Company, 330 W. 42nd St., New York 18, N. Y. (\$3.50) is ripe with ideas for middle and executive management who are planning to aid foremen in their vital leadership job. It can likewise be useful to management club officers who have an opportunity to work with company executives toward this goal.

Your editor is acquainted with Glenn Gardiner and familiar with his effective efforts in behalf of American foremanship. We hope that some day his heavy activities may ease up so that he can find occasional time to contribute to MANAGE. He is a strong and effective leader in the direction of de-centralization of the personnel function so that, in all possible areas, the personnel department will function through the line supervision rather than around it.

This book was advertised in October MANAGE—use the "keyed" coupon if you decide to order it.

Herb Murray, Jr. of the Douglas Aircraft Management Club, Santa Monica, California is the artist who contributed the sparkling cartoons on pages 22 and 23 of the October number. We hope the men at Douglas will prod him to let us publish more of them. Thanks very much, Herb Murray. We need your humorous appetizers to make our "roast beef" more palatable.

"Persons who urge greater dependence upon the Federal treasury are more dangerous to our form of government than any external threat."—General "Ike" Eisenhower.

**Nine out of ten Wage Earners in the MacFadden Wage Earner Forum, when polled about free pensions, say the worker himself should pay part or contribute toward these programs.**

The MacFadden Wage Earner Forum distinguished itself for its accuracy when, after polling its participants, it predicted President Truman's election by a substantial majority, a week before his election. (See Sectional Conference Page 48 by MacFadden's Everett Smith.)

November 1949 MANAGE



# Can you answer these 6 questions about the 3 leading low-priced cars?



1..Which car has the highest compression ratio for greater engine performance and economy?



2..Which car has the famous Air Pillow Ride for your greater comfort?



3..Which car has Safety-Rim Wheels for your added protection in the event of a tire blowout?



4..Which car has Automatic Ignition-Key Starting for your greater convenience?



5..Which car has Floating Power for smoother engine performance and longer car life?



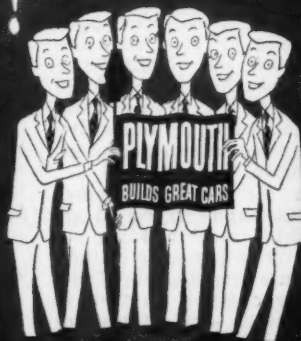
6..Which car has Automatic Electric Choke for quicker warm-up, more economical use of gas?

## You said it!

THE ANSWERS ARE ALL THE SAME

# PLYMOUTH

the car that likes to be compared



# DEVELOPING MANAGERS...Grow or "go".

"Enjoy yourself; it's later than you think."—Dr. Loomis.

"No matter how hard you try, you won't leave this world alive."—Dr. Barr.

Confidence  
plus  
Understanding  
equal  
Cooperation

## Industrial Climate . . . Atmosphere . . .

**I**N talking with individuals or groups around the country I have often remarked that I think I have the best job in America, that every day of my work is just like Christmas. It is easy to see why if you could follow me, meeting and getting to know, intimately, the fine people I do, members of the greatest fraternity in the country, Management Men of America. I feel lucky and privileged.

Many times you ask me for a copy of my remarks at a club meeting or a conference. Well Al, Frank and Steve I try to say what I feel inside so I don't have any prepared or written talks; but, I'll do the next best thing. I'll talk to you through *MANAGE* magazine on those principles or ideas we've pitched together many times in the past.

Before I take up the subject itself I want to make two statements that have been given to every group I have met, regardless of size. By the way, these are not original with me.

First, for our purposes, let's assume that there are no foolish questions. Anyone who raises a question sincerely is entitled to full consideration and a straight answer. Often you have a question on the tip of your tongue, and you hesitate to ask it because you feel that it may be considered half-baked or illogical. The chances are that someone else is in the same position and if you brought your question out it might well be the germ of an idea that would help everyone.

Second, when we examine a fact or a problem we should try to look at it from all directions. One man looks

at the problem from one point of view and forms an opinion based on his experience and background. Another man looks at the same problem from a different point of view and gets an entirely different picture.

Let's take as an illustration the simple fact of your salary. You look at it and what is your feeling? Naturally you are not getting as much as you're worth. Your boss looks at the same fact, what does he think? It's just right. Why shouldn't it be? He set the classification and hired you. Now, let's look at the same fact from the point of view of the man whose work you direct. What does he think? You don't have to answer that because a great deal depends on how they feel about you as an individual. The chances are, however, that they may think you are getting too much.

The same fact, viewed by three different people, and you get three entirely different impressions. Much of our misunderstanding in industry is caused by our tendency to look at something from only one point of view, failing to respect the other fellow's point of view—and sometimes looking at it from the wrong end of the telescope. Let's try to get the whole picture before we jump at conclusions, or berate someone else.

## How is your Plant Atmosphere? . . .

One of the biggest problems facing American industry today is the atmosphere or climate or environment existing in some plants. Now, I know this isn't true in your plant but bear with me while I give you a little picture of what exists in some plants I have visited. There is a definite atmosphere that you can almost feel. It consists of fear, suspicion, animosity, distrust and cleavages between various areas of management; between line and staff; between shop and office and between foremen themselves.

Remember, I said it couldn't happen in your plant but I'll start with the engineers since I'm one myself. Some engineers tell me that if the dumb foremen would learn to read a blueprint, equipment would be better utilized and most of our production problems would vanish.

And, what's the foreman saying? Naturally, if the engineers would get off their weighted rears and get out in the shop to try to put some of their weird designs into practice, they would avoid untold aggravation. In fact, as one foreman put it, some of the engineers redesign apparatus before they even know what it is to be used for. To hear each group talk, the other must have had canine ancestors or were born out of wedlock. But, let's not stop at this group.

How about the electrical and main-

tenance gangs? Whenever something is wrong, if you're an electrical man, isn't it always the fault of maintenance? And if you're a maintenance man, isn't it always the electrical? And the machine shop and the foundry? Did you ever hear a machine shop foreman say: "Good heavens (I know that isn't what he says but remember I'm writing in a magazine) no wonder I can't make out on production—these darn castings should never have been allowed to come to my department. How in the world can I work to specs and tolerances with castings like that?" And what's the foundry foreman saying? It's the fault of the machine shop foreman.

Shop and office, foreman and general foreman, general foreman and super, direct and indirect labor departments, you can take your pick. And so it goes all through the plant until they have built psychological walls between them a mile high. None of the parties seem to realize that you can't throw mud without getting some on your own hands.

And what happens to production? And more important, what happens to the men themselves? You guess—it's easy.

**The Invisible Sign . . .** How are we going to change a situation such as we have described? It isn't easy, but it can be done. And the idea is simple enough. *Get the people to know each other as people.* When you get to know the guy it's much like Will Rogers said: "I never met an SOB who was an SOB after I met him."

This guy you cuss out puts his pants on the same way you do, one leg at a time. He growls after a bad cup of coffee in the morning. And, he has personal problems just like you. Funny thing. After you get to know the guy, he's a pretty good Joe after all. He'll help you if you give him

By

"Bill" Levy

Educational

Editor



half a chance. But remember, just like a successful marriage, it can't be a 50-50 proposition. It has to be 70-70. Both of you have to go more than halfway.

We have found over 25 years that the management club is one of the most effective means of breaking down those psychological walls or barriers. Here men of management meet as men, with titles checked at the door, and get to know each other as human beings—not someone you just call on the telephone or know as a signature on a memo.

(Continued Page 61)

November 1949 *MANAGE*

# SHORT-CUT TO A BREADLINE

Follow the so-called leader who's waving the big banner that reads: "MORE PAY FOR LESS PRODUCTION."

He'll show you the shortest way to a breadline.

For inefficient production raises selling prices, lowers demand, and destroys jobs.

History for thousands of years has shown that the only way to have more is to produce more.

MORE PRODUCTION—and an honest share of its benefits through greater supplies of goods, lower living costs, and higher wages—is the way to real prosperity and security!

## THE TIMKEN ROLLER BEARING COMPANY

# Sectional Conferences

THE following summaries cover sectional conferences conducted at The National Association of Foremen 26th Annual Convention in Detroit, September 21-24, 1949. Below are listed the various Conference subjects, together with Conference leaders and chairmen.

In those instances where no summaries were available, the fact is so indicated in the listing below. Some summaries were more complete than others. The absence of a few summaries permitted those submitted in more detail to be presented somewhat more completely than had originally been contemplated.

MANAGE Magazine expresses its thanks and that of its more than 40,000 readers to those leaders and chairmen who have made these summaries possible.—Editor.

## CONFERENCE NO. 1 (Pages 30-36)

"The Truth About Profit and Loss."

**Speakers:** **Fred G. Clark**—General Chairman, American Economic Foundation.  
**Reverend Edward A. Keller, C.S.C.**—Director, Bureau of Economic Research, Univ. of Notre Dame (No summary available).

**Chairman:** **G. A. Faunce**—Budget Director & Works Auditor, Great Lakes Steel Corporation.

"Target Number One—Industrial Profits"

**Speaker:** **Harry Lundin**—Public Relations Counsel, Hill and Knowlton, Inc.

**Chairman:** **John Bloodsworth**—Price, Waterhouse and Company.

## CONFERENCE NO. 2 (Pages 36-38)

"The Profession of Management—How Can It Be Achieved?"

**Speakers:** **W. H. Driscoll**—Vice President, Carrier Corporation.  
**Ernest M. Teichert**—Works Manager, Detroit Edison Company.

**Chairman:** **Lester F. Zerfoss**—Head of Supervisory Development, Detroit Edison Company.

## CONFERENCE NO. 3 (Pages 40-42)

"The Foreman and His Role in Key Production Problems."

**Speaker:** **W. W. Phillips**—Materials Control Divn., Eli Lilly and Company.

**Chairman:** **L. M. Skidmore**—Director Industrial Training, Hudson Motor Car Company.

"Don't Short Circuit Your Ventilation—This Is Not Hot Air."

**Speaker:** **Walter Konn**—Industrial Hygienist, Briggs Manufacturing Company.

**Chairman:** **H. B. F. Lawless**—Detroit Branch Manager, Sturtevant Divn., Westinghouse Electric Company.

## CONFERENCE NO. 4 (Pages 42-44)

"Job Evaluation and Wage Incentives—Valuable Tools of Management."

**Speaker:** **John Patton**—Management Engineers, Inc.

**Chairman:** **Charles F. Coleman**—Chief Industrial Engineer, Timken-Detroit Axle Company.

"A Successful Wage Incentive Plan."

**Speaker:** **Wendell Anderson, Jr.**—Personnel Department, Bundy Tubing Company.

**Chairman:** **William F. Bavinger**—Assistant Personnel Director, Briggs Manufacturing Company.

## CONFERENCE NO. 5 (Pages 44-46)

"Look Out—Your Speech Is Showing."

**Speaker:** **B. D. Danchik**—Consultant, B. D. Danchik, Inc.

**Chairman:** **Frank Rising**—General Manager, Automotive & Aviation Parts Mfgs., Inc.

**Speaker:** **Dr. Arthur Secord**—Supervisor of Adult Education, Brooklyn College.

**Chairman:** **Lewis D. Williams**—Training Director, Gar Wood Industries.

## CONFERENCE NO. 6 (46-47)

"What's the Score on Labor Legislation?"

**Speaker:** **Harry Jeffrey**—Attorney, Iddings, Jeffrey, Weisman & Rogers.

**Chairman:** **George E. Gullen, Jr.**—Assistant Secretary and Director of Labor Relations, Detroit Lubricator Company.

## CONFERENCE NO. 7 (Page 47)

"United Management—A Dream or a Fact?"

**Speaker:** **Vance E. Cribbs**—Assistant Director Personnel Relations, Armco Steel Corporation. (No summary available.)

**Chairman:** **D. D. Decker**—Director Public & Industrial Relations, Wolverine Tube Divn. of Calumet & Hecla.

**Speaker:** **Richard Will**—Asst. Manager Industrial Relations, The National Cash Register Company.

**Chairman:** **A. G. Denison**—Director Personnel Relations, Murray Corp. of America.

## CONFERENCE NO. 8 (Pages 48-50)

"The Worker—Your Responsibility."

**Speaker:** **Everett R. Smith**—Director of Research, MacFadden Publications, Inc.

**Chairman:** **Charles Olmstead**—Educational Director, Great Lakes Steel Corporation.

**Speaker:** **Cloyd S. Steinmetz**—Director of Training, Owens-Corning Fiberglas Corporation. (No summary available.)

**Chairman:** **Louis Duenweg**—Training Coordinator, Detroit Edison Company.

## CONFERENCE NO. 9 (Pages 50-52)

"Current Management Problems."

**Speaker:** **Jack Wolff**—Director of Training, The Chesapeake & Ohio Railway Company.

**Chairman:** **Herman Everhardus**—Assistant Director of Industrial Relations, Nash Kelvinator Corporation.

**Speaker:** **O. H. P. Snyder**—Director of Salaried Personnel, Delco Divn., General Motors Corporation.

**Chairman:** **Wayne E. Grimm**—Associate Director in Charge of Supervisory Training, Department of Industrial Education, Chrysler Corporation.

## CONFERENCE NO. 10

"Morale—The Mosaic of Your Workers' Feelings."

**Speaker:** **Lee Stockford**—Industrial Relations Advisor, Lockheed Aircraft Corporation. (No summary available.)

**Chairman:** **Ralph E. Flanders**—Production Control General Supervisor, Ryan Aeronautical Company.

**Speaker:** **Fred Smith**—Vice President for Industrial Relations, The William Powell Company. (No summary available.)

**Chairman:** **Paul Ott**—Personnel Director, Zenith Carburetor Divn., Bendix Aviation Corporation.



# Just what is Free Enterprise?

**It has nothing to do with politics nor wealth nor class. It is a way of living in which you as an individual are important. Little things make up this way of living, but think what you would lose if you ever surrendered it:**

**Free Enterprise** is the right to open a gas station or grocery store or buy a farm, if you want to be your own boss, or change your job if you don't like the man you work for. (Under communism you work where you're told, and you live and die bossed by hard-fisted bureaucrats who tell you every move you dare make.)

**Free Enterprise** is the right to lock your door at night. (In communist countries the dread secret police can break it down any time they like.)

**Free Enterprise** is the right to argue. (In communist countries you humbly say "Yes" to whatever is told you.)

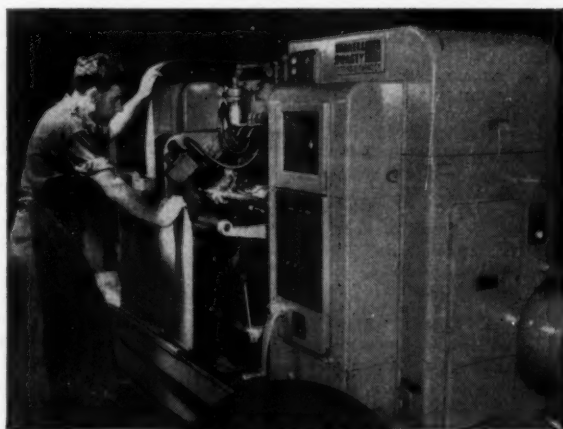
**Free Enterprise** is the right to save money if you want, or blow it on a good time if that's what you prefer. (Under communism you'd never have the money to do either — back-breaking hours earn you only enough to keep alive.)

**Free Enterprise** is looking on a policeman as someone to protect you, on a judge as a friend to help you. (In communist countries you had better be afraid of all police . . . and dread all judges and courts.)

**Free Enterprise** is the right to raise your children as you think best. (Under communism the state decides what your child shall learn and do, where he or she shall go. Respect for parents, and family life, are held in contempt.)

**Free Enterprise** is the right to speak freely about anything you wish. (In communist countries you can never know whether your best friend or your own child is an informer. You are told what opinions to have; you'd better not voice any others.)

Free enterprise has nothing to do with how much money you have or don't have, nor what your job is or is not. Free enterprise means the right to *be yourself* instead of some nameless number in a horde bossed by a few despots. Free enterprise is the sum of many little things — but how miserable you'd be if someone stole it from you!



**WARNER  
&  
SWASEY**  
Machine Tools  
Cleveland

YOU CAN MACHINE IT BETTER, FASTER, FOR LESS WITH WARNER & SWASEY TURRET LATHES, AUTOMATICS AND TAPPING MACHINES

# THE TRUTH ABOUT PROFIT AND LOSS

By Fred G. Clark

Mr. Clark first presented briefly a simplified analysis of all money payments by corporations. Showed there were only five all-inclusive classes of disbursements: (1) cost of goods and services bought from others; (2) cost of payments ordered by government (taxes); (3) cost of workers' human energy; (4) cost of tools wearing out; (5) cost of using tools.

He then demonstrated how his analysis of economic truths can be applied practically in labor relations—asked his conference to imagine he was head of a factory and they were union members who had met to finally decide about a strike vote. The following was gist of his speech to them.—Editor.

**W**HEN I leave this room, you men are going to take a strike vote. I am here to present the company's position. I want to start out by saying there is no such thing as your side and my side: there is only our side. In any successful company, the company and its workers make money with each other and not out of each other. I don't expect you to accept that in your present frame of mind; all I ask is you bear with me with an open mind.

"I would like to start with a little truism; no one's judgment can be any better than his information. From the vote you men took a few weeks ago, it is apparent that in your judgment it is possible for the management to give you a 10 per cent wage increase without raising the selling price of our product.

"The trouble is not with your judgment; it is with your information, and that, to a great extent, is the fault of the company: we did not tell you in an understandable manner our true profit position. However, this is not entirely our fault, because business accounting was made complicated long before we were even born.

"Let's see who is involved in this argument. First, there is everyone of you—about 2100 workers: you are here because you have to earn your bread and butter and support yourselves and your families. Then there are 2300 stockholders: people who have used their savings to supply the buildings, typewriters, desks, machinery, raw materials (in other words, the tools with which you make your living). Then there are about 100,000 customers whose purchases make it possible for us to stay in business, pay our bills and taxes, meet our payroll, replace worn out tools, and pay the owners of the tools for their use.

"I want to interrupt myself for a moment to make clear that the phrase 'tools of production' includes all the assets of the corporation—the machinery, the typewriters, the desks, the floors under them, the walls and ceilings, the land under the buildings and the inventory of materials that you use up in production.

"Getting back to my story, all three groups—workers, stockholders, and customers—have certain inalienable rights in this argument: you don't have

to work unless you are satisfied with the payments you receive; the owners of the tools don't have to supply them for your use unless they are satisfied with the payments they receive; the customers don't have to make payments to either you or the owners unless they like the price and quality of what is produced.

"We must remember that the customer is the most important, because he furnishes the employment. As managers, we are hired by the stockholders to hire you, but we don't decide how many to hire or how much to pay: those things are decided by the customer. If we argue with him we will find ourselves out of business. You might force us to demand more money from the customer, but, if you do, you might be forcing yourself out of a job because there is no way to force the customer to do anything.

"I'd like to give you a simple picture of the company's income so that you may judge for yourself whether you should strike. If you walk out it will be because you feel that you deserve a raise out of the company's profits.

"Let's talk about those profits. It may sound strange when I say that profit is that part of the selling price collected from the customer to meet the cost of using the tools. Here is the way it works.

"When, each year, we get ready to introduce our new line we have to find out how much the customer is willing and able to pay. To discover this we have to answer a few questions such as, how much money does the customer have, how badly does he want the kind of thing we make, and how much our competitors are going to ask.

"When we have answered these questions we have to answer some more: what will be the cost of the stuff we have to buy from outside; how much of the selling price will have to be turned over to the government in taxes; what will be the cost of human energy that all our workers put into the product; what will be the cost of the tools worn out and used up during the production; and what is the fair cost to charge the customer for the use of the tools.

"So you see that when the customer buys our product he must pay five costs—at least if we are to stay in business. I want to repeat them:

1. Cost of goods and services bought outside.
2. Cost of the human energy (the payroll).
3. The cost of tax payments.
4. The cost of the tools wearing out.
5. The cost of using the tools (profit).

There are no other costs. The entire process of production and exchange is covered in these five items. If you know how the company's income is spread over these items you know exactly who is getting how much for doing what and how much more money you could get without causing a raise in prices. So I have here an operating statement reduced to these items.

"Now follow me closely while I give you the penny by penny breakdown

of every dollar we receive from our customers. First, we have the cost of goods and services bought from others: that amounts to 48¢. Second, the cost of human energy—your energy, the office workers' energy the salesmen's energy—the management's energy: that amounts to 38¢ and of that 38¢, management salaries amount to about one cent. Third, we have the cost of the payments ordered by government—taxes—they amount to 4¢. Fourth, cost of tools worn out during the year: that amounts to 5¢. The last, but not the least important, cost of using the tools (the profit): that amounts to 5¢. There's the whole dollar—what is done with the money we get from the customer.

"You remember this corporation consists of two groups—the 2100 of you on our payroll and the 2300 people who supply the tools you use. The question is, who is now getting how much for doing what. To find this out, let's take away that part of our income that cannot be available to either group and then see who is getting how much for doing what.

"First, we take away the amount paid for outside goods and services—that is 48¢ and leaves us 52¢. Next we take out taxes: that is 4¢ and leaves us 48¢. Next we take out the cost of replacing the worn out tools: that is 5¢ and leaves us 43¢. This 43 cents is the amount we are arguing about: it is the amount to be divided between you, who use the tools, and the people who own the tools.

"Let's stop a minute and see how the work is done around here. Those of you who have been here for 25 years or more know that we now produce each unit with 1/10th of the man hours that we used to. Each of you is ten times as efficient as your father was in this plant and you get about five times as much money, but you actually put in fewer hours and put out less energy. You know this. But what you may not know, is that during that 25 years the amount of tools made available to you jumped from \$1550 to \$5550 per worker.

"The increased mechanical energy of the tools multiplied your human energy and increased your pay check. The tools do 9/10ths of the work. You might say the stockholders who saved the money and supplied you with the tools actually supplied you with nine helpers who do 9/10ths of the work.

"How much do you think the people who supplied those helpers should get out of the 43¢ left? As matters now stand you are getting 38¢ and they are getting 5¢. You are doing 1/10th of the work and getting almost 9/10th's of the proceeds. Do you think it fair to ask for a 10 per cent raise which would leave the 2300 tool owners with practically nothing?

"I know that most Americans believe in the profit system, which means he believes in fair payments for the use of private property, and I don't believe many of you are exceptions. But the fact remains that your present demands would deprive the owners of this fair payment.

"It has been almost 15 years since management has been able to talk as I am speaking to you today, and I want to tell you frankly that you and

# HERE'S THE LOWER-PRICED CAR MILLIONS HAVE WAITED FOR!



New Wayfarer Two-Door Sedan

## The New **DODGE** WAYFARER

**GET ALL THESE EXTRA VALUE  
FEATURES AT NO EXTRA COST!**

Dodge gyrol Fluid Drive  
High-Compression "Get-Away" Engine  
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Knee-Level Seats  
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*Treat your eyes to something special in style and beauty . . .  
and your pocketbook to the biggest car value in years!*

In the new Dodge Wayfarer you get roominess for six . . . with elbow room for all. You get room to stretch legs, room for your head and hat . . . seats that are knee-level to support your body in relaxing comfort.

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All-Fluid Drive. Nimble as a polo pony, the 115-inch wheelbase Wayfarer is easy to maneuver in traffic . . . easy to handle in tight parking. Come in today. See and drive this luxurious new Wayfarer—backed by the priceless Dodge reputation for delivering years of satisfying, money-saving miles. And remember—the Wayfarer costs just a few dollars more than the lowest priced cars!



**NEW WAYFARER SPORTS ROADSTER**—the smart good looks of a convertible without the high price tag! Light-weight top easily raised or lowered. Chrome framed plexiglas windows go on or off in a jiffy.



**NEW WAYFARER BUSINESS COUPE**—the personal car with amazing storage space behind front seat, huge luggage compartment under rear deck. Lower in price yet every inch a dependable Dodge!



## *A note on Abrasives*

# Improved Abrasive Tools help step up production...cut costs



New production efficiencies and economies are being realized almost daily as a direct result of technical advances in abrasive products. At The Carborundum Company these improvements do not just "happen." They are derived from a carefully formulated program. Product Development...an important activity here...pools specialized knowledge, experience and skill. It probes into the performance of present products...seeks

and finds possibilities for doing the job better. It examines and compares the action of bonded and coated products under every conceivable production condition. It studies and restudies technical advances in machines and methods. CARBORUNDUM'S development staff turns up ideas that can be incorporated into new products as well as better ways of using present products. Both are important to produc-

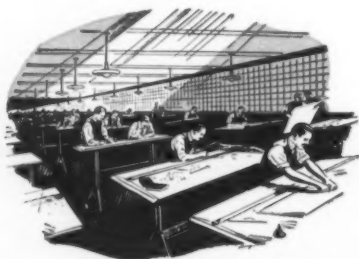
tion management. As a user of abrasive products by CARBORUNDUM, you receive the direct benefit of all advances in product development. This — together with abrasive engineering and other services — offers another reason for specifying and buying abrasive tools produced by CARBORUNDUM...the leading name in abrasives. The Carborundum Company, Niagara Falls, New York.



The only complete line of Abrasive Tools is

# CARBORUNDUM

TRADE MARK



*"Carborundum" and "Aloxite" are registered trademarks which indicate manufacture by The Carborundum Company*



# Engineering News

ON ABRASIVE PRODUCTS

## Belt Backstand Idler Techniques Effect Operating Cost Reduction

Substantially increased output, lower unit costs and improved finishes are influencing more metal working plants to switch to belt backstand idlers for grinding and finishing flat and contoured surfaces of both small and medium weight pieces. In many factories where set-up wheels were formerly used, conversion from 25 to 100% to the backstand technique has been effected. While these methods normally involve grinding speeds of 6500 to 7000 SFPM with glue-bonded abrasive cloth belts, speeds of 10,000 SFPM are being used widely today with resin bonded belts.

As a result of recent wide-spread experiences with belt backstand idler techniques, our trained staff of engineers is equipped to guide users in making the best use of this equipment. In all cases they are able to recommend applications and abrasive materials to meet your requirements.



## Better Work with Cylindrical and Crankshaft Grinding

Cylindrical grinding wheels including crankshaft wheels by CARBORUNDUM are engineered to provide the tools required for maintenance of efficient production rates, rapid stock removal and fine surface finish.

V11 bond represents the most recent contribution to this class of grinding. These wheels are designed with a *specific structural balance* which when combined with the proper grain size and abrasive type offers the following advantages to both operator and management:

1. Cool and free cutting characteristics promote more efficient production of superior finishes and close tolerances. This is of great importance in operations involving both OD and shoulder or face grinding.
2. Designed structural balance permits continuous fast cutting rates which promote high production.
3. Fast cutting qualities combined with long life save dollars in operator and machine time as well as abrasive costs.
4. Engineered uniformity of the abrasive and bond components of these wheels permits close control of part size and form.
5. Self dressing characteristics provide longer periods of use between dressings...save dressing time, usable abrasive and dressing tools.
6. Ability to grind a wide range of materials makes possible savings in inventories of special wheels and minimizes requirements for premium priced abrasives.
7. Savings in set-up time are made possible because the versatility of V11 bond wheels permits efficient grinding of many varieties of work, making it unnecessary to change wheels when changing from one job to another.

For prompt attention to abrasive problems, call your nearest branch office of The Carborundum Company.

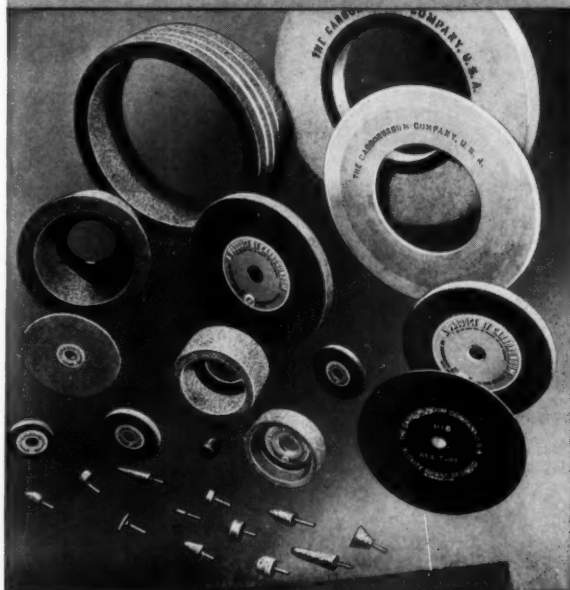


## COATED PRODUCTS

SHEETS • ROLLS • BELTS • DISCS  
SPECIAL SHAPES

## BONDED PRODUCTS

ABRASIVE WHEELS • STICKS, STONES AND RUBS • SPECIALTIES • SUPERFINISHING STONES • SPECIAL FORMS • ABRASIVE GRAINS AND FINISHING COMPOUNDS



FOR EVERY ABRASIVE APPLICATION  
...CALL IN  
**CARBORUNDUM**  
TRADE MARK

15 million other union members have been forcing economic cannibalism upon American business. The kind of thing you want us to do now, namely deny to the tool owners a fair payment for the use of their property, is exactly the thing that has caused America during the last 15 years to lose about 20 percent of its tools of production.

"This is the first period in our history that America has not increased the amount of tools per worker. Bringing this problem right home to this plant, supposing that you are able to force your present demands. It would mean that the owners of the business would say to us: 'We're going to get paid anyway because we deserve it, so don't bother about replacing the worn out tools. We want our dividends and we'll get them that way, and when the tools are all worn out, we'll lock the damn place up and forget it.'

"That is exactly what has happened to 20 per cent of the tools in this country, and none have been added. Our tool supply today is back to the 1920 level.

"Unions are good things, and collective bargaining is the right of any group that wishes it, but you must not forget that the owners of the 'tools' have just as much right to bargain as you.

"There's another thing I want to talk to you about: that fairy tale about profits lowering the purchasing power of the nation, and that if the workers got all the profits then all of the goods produced could be bought and we would never have depressions. Almost every day you see some article or hear some speech about this. The only trouble with it is that it is completely untrue. *The dividends and interest received by the owners of the tools is spent just as quickly as is the payroll received by the workers.*

"Another thing: A lot of people have the idea that dividends go to people who have no particular need for money. The fact is, 70 per cent of all dividends and interest paid in this country goes to people whose income is less than \$5,000. The idea that it is a bad thing to make payments for the use of tools has been planted by people who would like to destroy the American way of life. Payment for use of tools is the very basis of America's strength and prosperity.

"It is America's stock of tools primarily that accounts for the difference between living conditions in this country and in other countries. Those tools came into being through the thrift and self-denial of some 20 million workers who wanted to provide for their old age by acquiring ownership of some tools that would do their work for them and give them some old age security. It is true that there are a few rich people, but they are so few as to be unimportant. As a matter of fact, in the United States the percentage of the payment for the use of property (that is, dividends, interest and rent) that is paid to people receiving \$25,000 or more is about 3½ per cent.

"When we destroy payments for use of property, we destroy the value of savings. We have already gone a long way doing this and unless the trend is

reversed America will again be reduced to manual labor under a manual laborer's living conditions.

"Here is the final thought I want to leave with you. Let's suppose that you force the management to raise the price to our 100,000 customers. These are the people that pay our payroll: they furnish us with our employment.

"We have already raised the price about 40 per cent above the pre-war level. Suppose we raise again and our competitors do not? What happens then is obvious: our orders will fall off; our production must be reduced. This means less work and less payroll. This must happen, because there isn't enough cash in this company or any company to meet a payroll for more than a few weeks without going broke. Your payroll flows in every week from the customer and is paid out every week: when the customer stops buying, the payroll stops flowing.

"When I leave this hall, in a few minutes, you men are going to have a meeting and decide whether or not to go through with this strike. This is a free country and you have a legal right to strike if you decide to do so. Nobody can force you to work. But neither can you force the customers to keep on buying nor can you force the

stockholders to keep on supplying you tools.

"To a large extent it doesn't make much difference to the owners whether or not they keep their money in this business because since your union declared war on corporate profits, the owners could have made just as much money buying government bonds as they made out of their company stock. When, and if, that begins to happen all over the country something else has to happen: government must step in and force the people to supply tools through taxes, and force the workers to use the tools when, where, and how the government dictates. I'm not trying to be tough—I'm just telling you the truth.

"Corporations, to succeed, must be partnerships between the people who use the tools and the people who own them; not sentimental partnerships, but hard-boiled, fair-minded partnerships based on a genuine understanding of who should get how much for doing what. I am leaving with you copies of the simple operating statement that I just read. It is absolutely attested as being true and can be checked by our own union accountants. "You've got the facts, and the rest is up to you."

## TARGET NUMBER ONE--INDUSTRIAL PROFITS

By Harry Lundin

**R**EFERRING to Harvard Professor Sumner H. Slichter's recent address, "The Changing American Economy", Mr. Lundin stressed importance of the 60 year shift in balance of voting power. Formerly national policy was controlled by self-employed persons—farmers, professional people. Today, employees who outnumber their bosses about three to one, control national policy.

An obvious result of this shift is the trend in national legislation which has become more social in intent since 1910. Today, we are on the threshold of numerous national policies involving the welfare state—all to be paid for in some "painless" way and particularly by those who, it is supposed, can best afford it. The worker seems to accept this philosophy believing it is in his best interests. He is being lulled and led by opportunists who see limitless personal power for themselves through control over public thinking and action.

For years a small but politically active group sought to drive a wedge between workers and management by creating unrest, dissatisfaction, class hatred. Their approach, based on social gain, proved a failure. They changed their attack on business and the government from social gain to personal gain. Said that while American workers were reasonably well off, they were nevertheless being cheated out of a large share of industry's earnings; that profits were outlandishly high and wages could be raised and prices reduced, still enabling industry to make a good profit for its owners. "Ability to pay" became the battle cry and industrial profits became target number one.

Many labor leaders and politicians used these popular fallacies to obtain

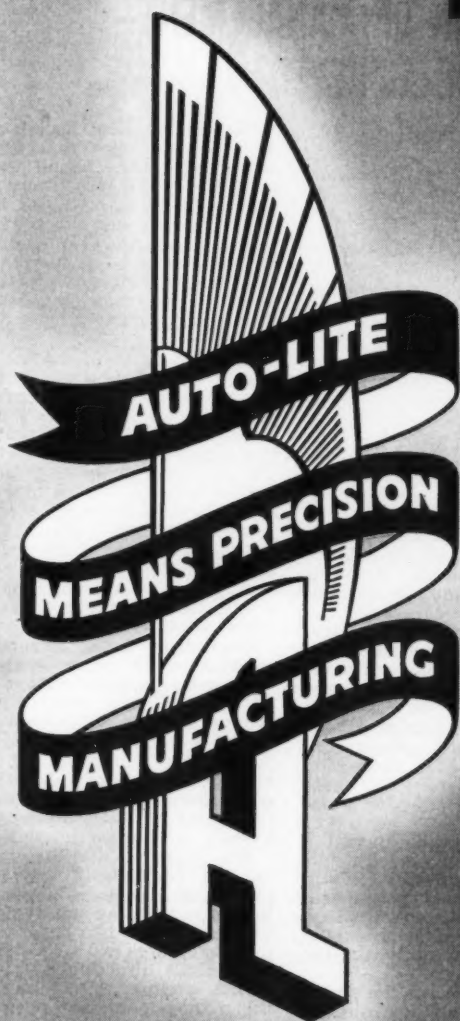
workers support. In the end they drove the wedge between management and labor much to the satisfaction of the communists who started the anti-profit ball rolling.

Today's major issue is excessive profits. Until management can prove beyond doubt that profits are reasonable, workers will be deaf to all of management's attempts to improve labor relations. Annual reports to employees have been of some help. But, the language of accountants and financial men is too difficult to understand. Not enough has been said about the division of income between business owners and workers. Management has endeavored to interest workers in financial information by showing that workers are receiving about 30 per cent of the company's income dollar. There is suspicion that business owners are receiving most of the 70 per cent balance. There should be greater emphasis on worker's share after all bills are paid. The U. S. Dept. of Commerce statistics reveal workers in industry receive over 85 per cent of the income from industry while the balance is divided between self-employed people, reinvested profits which create more jobs, and dividends for the owners.

Workers are getting the lion's share of industry's income although they are not aware of it. When the truth is known, most of Management's problems will be solved.

"We should take a page from the communist's propaganda manual", said Lundin. "We need Americanism 'cells' in every department throughout industry where facts will prevail over fallacies, where people can be taught—that 'there ain't no such thing as a free lunch'."

Management should give its foremen all the necessary tools—factual tools so



**SPARK PLUGS**

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that the job can be accomplished before the American people make the same mistake as the British people who are now learning they bought a "pig in a poke".

If management fails to acquaint the public with the information for correcting the misunderstanding about our economy, it is acting in the interests of foreign governments rather than the American people.

A suggested list of topics which might be used by the department foreman in conversations with workers follows:

How much of the company's money was distributed last year between workers and owners? Who received the greatest share? How much more?

Who owns American industry? Who owns the company?

What are profits? (Wages to investors are like wages to labor. They are also a return for the risk taken.)

Why are profits necessary in every type of economic system?

What happens to profits? (Reinvestments and income for owners which find their way back into business life.)

How do profits create jobs and how much is invested by the company's owners in each job in the plant?

What is a reasonable profit? How much profit does industry make? How much profit did the company make? (Is this reasonable?)

What are the expenses involved in running the company after bills are paid?

How much money is paid out by the company in Federal and local Taxes?

How much time is the employee required to work in order to meet his personal tax bill?

How do socialized benefits affect the worker in increased taxes?

What do additional taxes on industry mean to the worker's pocketbook?

Why does additional control over industry also require corresponding control over labor as well? How easily can this be accomplished?

What do additional controls over industry and labor mean to all of us in terms of personal freedom, higher costs of government and country's standard of living?

Will the worker's children enjoy the same opportunities in choice of occupation, benefits of competition and freedom of action as the worker does? Is current thinking in favor of greater socialization of industry in their interest?

These subjects are only a few of many economic topics which must be understood by workers. It is a tremendous communications job.

Any foreman lacking a complete understanding of business economics will naturally be reluctant to discuss these subjects. Top management must provide him with information—supply the tools necessary to do his job.

The foreman needs facts which cannot be refuted—government figures as well as company figures compiled under close scrutiny by the government. Whenever statements or questions are raised which the foreman cannot answer, he should get the answer and reopen the conversation. An unfounded criticism should never be permitted to go unchallenged.

Earl Lloyd George, member of British Parliament and son of the late David Lloyd George, England's Prime Minister

during World War I, cautions us against repeating English industry's mistakes. He blames industrial indifference for England's present socialistic government.

In a recent article, he stated English people are in the ridiculous position of having bought a "pig in a poke" and that governmental bureaucracy is like malaria — once into your blood you never seem to get rid of it. (Britain's government office holders have increased 50 per cent).

It is considerably later than most people believe. We are dangerously near the point of buying England's

"pig". The sixty year trend described by Dr. Slichter and the agitation by socialist and communist propagandists have resulted in serious deterioration of American thinking. Using a depression and a great war as a springboard for national planning, there is heavy pressure for expanding existing controls over industry and the American people.

Industry, speaking through its foremen, has no time to waste in bringing the truth directly before the American people who, when properly informed, can be counted upon to come up with the right decision.

## THE PROFESSION OF MANAGEMENT-- HOW CAN IT BE ACHIEVED?

By W. H. Driscoll

**W**HEN the subject was first presented to me, I felt considerable uncertainty whether management was an art, a science, or a profession.

To straighten out my thinking, I consulted several dictionaries.

Finally, I selected these definitions as being the best examples of what I was seeking: ART: skill, dexterity or the power of performing certain actions, acquired by experience, study or observation. SCIENCE: any systematized knowledge considered as a distinct field of investigation or object of study.

To reduce them to their simplest terms: a science teaches us "to know"—an art "to do." For example, astronomy is the science of the art of navigation.

A profession, on the other hand, is "a calling in which one professes to have acquired special knowledge which is used either in instructing, guiding, or advising others."

It is obvious, therefore, that management is a profession, because one charged with the responsibility of management must have acquired some special knowledge which is used in instructing, guiding or advising others.

The practical arts and sciences contribute to the growth of a profession and knowledge and experience in those fields are important to effective management.

In the past, a man who owned a business almost always managed it too. Thousands of small businesses are still operated that way but in large corporations a great change has taken place. An entirely new group of men, usually starting at the bottom, now run the business for the owners.

The owners, of course, are the stockholders. It might be well to consider who the stockholders are.

Are they the bloated capitalists who are caricatured in the yellow press and the left-wing publications, and continually referred to by political demagogues of high and low degree as "the special interests"?

Not at all. The money invested in industry today is the money of the vast majority of the people of this country, rich and poor alike.

Of course, there are many rich people in the country and many poor people, too. No political system, whether

it be Communism, Socialism, Fascism or Capitalism—not even Statism—will ever bring all the people to a common level of wealth any more than to a common level of health or intelligence, or of morality and integrity.

Regardless, however, of differences in financial levels, it is the combined wealth of all classes, invested directly or indirectly, that provides the funds that keep the wheels of industry turning.

The money of thousands who never personally owned a share of stock or a bond but who have an insurance policy, or a few dollars put away in a savings bank, represents a substantial part of the capital invested in industry. And the security of these people depends largely on the successful management of our great industrial enterprises.

Much of the discontent that is stirred up in the country is due to lack of understanding as to how business functions. This vast ignorance provides a fruitful field for Communists and other agitators.

Capitalism, being misunderstood, is condemned by many on the theory of "what you don't understand you should be against." Free enterprise is kicked around because of ignorance.

The economic health and security of America is dependent on the skilled management of its industrial and agricultural enterprises. Nothing else is so important to the employees, the investors, or the public welfare.

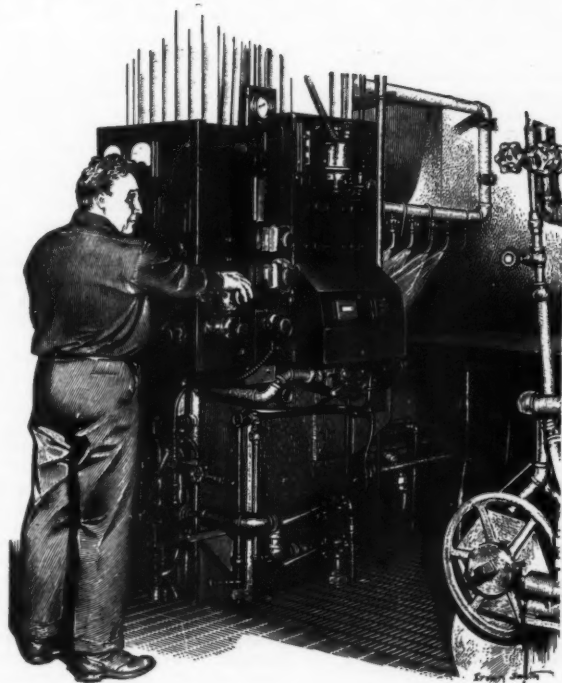
The tasks of management have increased enormously with increase in size of the business unit. The result has been that the duties and responsibilities have had to be distributed over a broader area with specially qualified individuals directing divisions, departments, groups. All of these constitute the management, are part of the profession.

No industry can be made effective and profitable without good management. Talent, skill, high morale and team-play are essential to success, but these cannot be coordinated and kept in balance except through eternal vigilance of the management group, individually and collectively.

In some quarters the idea prevails that "captains of industry are born, not made." The fact is that future leaders must be trained right as well as born right. No single individual, no matter



# "Fat" Bowman knows what teamwork means



## Meet E. J. Bowman

Being on a good team is nothing new to "Fat" Bowman, roller and head of a team which operates the 54-inch cold reducing mill at Republic's 98-inch strip mill in Cleveland. "Fat" played high school basketball and football and boasts a 185 bowling average in two Republic leagues.

During the last war, he teamed up with the rest of the 38th Infantry to see plenty of action in the Philippines, and came out as Staff Sergeant.

Currently, he and Mrs. Bowman are teaming up to buy a home and raise a 7-year-old daughter. Fourth member of the family team is a 1946 automobile. And, except for his 3½ years of war service, "Fat" has been a member of the big Republic team ever since 1937.

The Republic organization is a giant "team"—70,000 strong. This big team is made up of many smaller ones, like the cold reducing mill crew headed by "Fat" Bowman.

Everyone working for Republic is a member of such a "team"—a production team, a maintenance team, a research team, a warehouse team, an office team, or one of the many other teams which make up Republic.

But every member of every Republic "team" is also a member of the sales team, with his share of responsibility in keeping Republic quality up, and in giving customers the best possible service—in helping hold old customers and gain new ones.

As a result of this teamwork, production has gone up. Jobs and wages have increased.

Older men at Republic remember when more work was done by hand and less by machine—when work was harder, hours longer, earnings smaller and jobs fewer.

Large investment in machines and modern equipment, plus men with the will to produce, enable American workmen and their families to live better than the people of any other nation.

Teamwork! Modern machines and equipment! These are factors that build quality and service, that make satisfied customers, and that will keep Republic "A Good Place to Work—A Good Place to Stay."

# REPUBLIC STEEL

A GOOD PLACE TO WORK—

A GOOD PLACE TO STAY



[This advertisement is one of a series appearing in newspapers in cities and towns where Republic mills, mines and offices are located.]

how great his talents may be, can hope to compete with a number of ordinary men, properly organized to work together efficiently.

These training programs have become important in progressive corporations. Many organizations are investing thousands and thousands of dollars. These investments are paying excellent dividends to employers and employees.

In the Carrier Corporation, we carry on a continuous program of training beginning with student engineers and apprentices just entering the employ. From there on, through the different departments and groups, men are trained in the performance of technical operations. Foremen and supervisors are further trained in improvement of methods and procedures.

In addition, we have received nationwide publicity about one course that is unique and somewhat revolutionary: the Carrier Institute of Business. This is a night course, under an arrangement with the Board of Education, one evening a week through the winter in the Central High School.

The course is divided into two groups—Regular and Advanced—each limited to 105 students, plus seven group leaders. These students are chosen from applications filed by employees in lower and middle salary brackets.

The courses consist of one hour lectures by executives of the Corporation and speakers from outside. These lectures explain the mechanics of business and the functions of various departments.

Because the Institute is necessarily limited in size and the demand is great, rigid rules of attendance are strictly adhered to, so that only those keenly interested and ambitious to progress are continued. The Carrier Institute of Business has been carried on for a number of years with highly satisfactory results.

There are many fine schools giving

courses in Business Administration, providing educational background to fit men for management. But it does not necessarily follow that without such formal training you cannot aspire to a successful career in the profession.

The history of management in American industry is replete with the names of men who have come up through the ranks to achieve the highest administrative positions. Just to name a few:

Walter S. Gifford started as a \$10 a week clerk and rose to the position of chairman of the board of American Telephone and Telegraph.

George H. Bucher started as a shop apprentice in Westinghouse at 18 cents an hour, and rose to the presidency.

Martin W. Clement started as a roddman on a survey corps and became president of the Pennsylvania.

Richard R. Dupree was a soap salesman and became president of Proctor and Gamble.

John Holmes started as a messenger boy and became president of Swift.

H. W. Prentiss, president of Armstrong Cork, began as a clerical assistant.

David Sarnoff started as a messenger boy and became chairman of the Board of the Radio Corporation.

The principal objective of management should be to secure the maximum prosperity for both employer and employee commensurate with proper service to the public. This means not only reasonable returns for stockholders—it means the development of every branch of the business to the highest state of excellence so that prosperity may be permanent. This, in turn, means the development of each man to the highest efficiency so that he may be able to fill the highest position for which his natural abilities fit him.

Management is indeed a profession with opportunities equal to those offered by any profession to individuals who will dedicate to it their time, their energy, and their talents.



## By Ernest M. Teichert (Second Day Session)

**O**UR subject is the profession of management—how it can be achieved.

Until recently, not much thought was given to management as a profession. However, I believe industry is now fully aware that training and education must play a major part in the development of their organizations.

In various professional branches, it is clearly understood that entrance into this field must be preceded by a set course of study and training, and in most cases, must be followed up during the practice of these professions by additional study and training. Preparatory time needed to qualify an individual to enter any of the professional branches varies. The time required and intensity of study during this educational period is determined mainly by the job requirement. However, regardless of the number of years it takes to complete this training and educational period, the fact remains that a training and educational period is necessary.

This nation has become the most highly industrialized nation on the globe. An industrial machine has been built which recognizes no limits in its productive capacity. Highly complex—

and calling for the cooperative efforts of all. This holds true from top to bottom—from the general manager to the departmental sweeper. All must carry out their work assignment—and, to a varied degree, all must have pre-training and be educated for their job in order that production can be carried out smoothly and evenly.

This industrial machine calls for organization—an organization, which holds within it among others, productive workers, scientists, engineers, managers, foremen—all contributing their efforts—using their training, experience, education and know-how, to operate at maximum efficiency.

The foreman is a very important part of this organization. He must act as the intermediate between operators working under his supervision and others of management. He must be able to delegate authority, see that plant policies are carried out. He must have sufficient technical knowledge to instruct new operators and guide older ones. He must have a sufficient knowledge of costs that his department can operate within established limits.

He must be able to make job assignments in a manner which will enable work schedules to be met. He must be able to get along with people. To do this, he must gain and hold their respect

—a requirement which precludes a thorough knowledge of his job. If we review the requirements and duties of a foreman, we can only come to one conclusion: that he is a "manager". And as such, he certainly should be given a thorough training and the best possible education along managerial lines.

A course of study has not yet been developed to the extent where men of management will get a sufficient amount of training to satisfy all. However, a beginning has been made, and certainly, in the future, training and educational programs for foremen will be greatly expanded.

It will be necessary for each industry to do considerable research. Each industry must develop a course for training men in the manufacturing field—and include study of broad principles of management at the same time.

Too many times in the past, men have been advanced to the position of foremen simply because they gave evidence of having acquired great mechanical skill in their particular line—were promoted on the principle that a good mechanic would make a good foreman. No thought was given to the diversified requirements and abilities needed to successfully cope with problems which confront a foreman daily.

I do not want to give the impression that a good mechanic will not make an excellent foreman; however, I would like to point out that considerable thought and time should be given in selecting candidates for foremanship. After this, it is advisable to institute a pre-foreman training program.

The first responsibility of industry is to give these men every opportunity to qualify. Industry must furnish qualified instructors to instruct foremen.

For the past several years at our plant in Youngwood, we have had educational programs throughout the year, excepting summer months. Our foremen have been instructed in various phases of our business and in fundamentals of manufacturing.

These courses included many subjects in which the foreman needs fundamental training. Our instructors were from Pennsylvania State College, Methods Engineering Council of Pittsburgh, and from our own organization.

Since these training programs were instituted, our records show great improvements have been made in manufacturing efficiency as well as human relations. Productivity has stepped up, scrap and defective work decreased, the general quality greatly improved.

We also found these training programs have greatly stimulated interest of foremen in problems which confront management. The feeling that the foreman is now the "manager" of his department has been greatly expanded; a feeling of mutual interest in their jobs has developed. Latent abilities have been discovered. Eagerness for training and education is evident.

In conclusion, I re-emphasize the necessity for expansion of training and educational programs in industry. The foreman, with a more thorough knowledge and understanding of his job, with his viewpoint brought into proper focus regarding his job requirements, and the realization that he is a vital management link within an organization, cannot help but develop a code of ethics which he will be able to work by, with benefit to all.

# *A salute to problem-solvers*

(Published by Servel, Inc., Evansville, Indiana, in appreciation  
of the increasingly important part played by alert foremen in  
industrial management)

By LOUIS RUTHENBURG  
Chairman of the Board, Servel, Inc.

With rapidly changing conditions in American industry, the foreman has become an increasingly important factor in management.

He has become the general manager or administra-

tor of his department rather than its master mechanic.

Vast economic, social and political changes have brought him many new and difficult problems.

\* \* \*

Many years ago, H. G. Wells characterized civilization as a "race between education and catastrophe." Since these words were written, economic and social complexities have developed so rapidly that the need for mutual understanding is greater than ever before.

Modern management is a complex structure. Understanding within a modern industrial organization cannot be achieved until effective, unobstructed channels of communication are established and maintained among all elements of the structure.

These channels must be "two-way passages" because management which is not constantly sensitive to, and informed of, the changing needs and attitudes of men and women who work at machines and desks and on assembly lines cannot function effectively.

This necessary two-way flow of understanding between management and the people on the payroll cannot be accomplished in the absence of modern and enlightened foremanship. The foreman must

represent and interpret each to the other.

\* \* \*

Since the days of primitive industry, the requirements imposed upon our foremen have expanded prodigiously. The kind of foremanship that represents a hang-over from the primitive industrial era is wholly inadequate to cope with modern conditions.

In the absence of modern methods of foreman development, management cannot hope to meet its responsibilities to the people on industry's payrolls, or safeguard the

interests of consumers and investors.

Our greatest opportunities for advancing productivity and improving living standards are to be found in the field of human relationships. Mutual understanding must be achieved as the prerequisite for effective cooperation.

Present and probable future conditions in industry provide opportunities unlimited for alert, progressive foremen who are becoming increasingly important factors in the management of American industry.

---

\* At a recent meeting of Servel foremen and other members of Servel management, Mr. Ruthenburg said:

"Management is a job of everlastingly facing and solving problems. The successful manager looks at every problem as a challenge and an opportunity. He knows that by solving problems he serves his company and thereby achieves personal growth and advancement. His primary interest is in 'making good' in a big way.

"The man who lacks managerial ability looks upon problems as things to be side-stepped or to provide him with alibis. His primary interest is not in 'making good' but simply in 'getting by.' He is a 'sad sack.' That bird is headed for the scrap heap.

"We face many difficult problems. But we accept them as challenges and opportunities."

---



# THE FOREMAN AND HIS ROLE IN KEY PRODUCTION PROBLEMS

By W. W. Phillips

**M**ATERIALS handling is not new. It has received a lot of publicity in recent years. Extended uses of the pallet and the fork lift truck have done a lot to popularize the subject.

The elements of materials handling are pick up, move, set down, and store.

*Mr. Phillips here gave various examples of materials handling.—Editor.*

Management is finding, if materials handling is given special study, that usually very large savings result. There are others but the most important benefit from improved materials handling is the plus factor which is very important and not mentioned or emphasized enough.

(a) Improved working conditions.

(b) Making the job easier and safer.

The tired worker is willing to listen to claims of Communism and other ideologies opposed to the American Free Enterprise System.

How big are materials handling costs? Importance of an item is determined by the amount of money spent on it.

a. Average 22 per cent of a plant payroll.

b. In all industry, over 25 per cent of compensable accidents in materials handling.

Where does the foreman or supervisor fit into materials handling? He is the man on the job. He has first hand knowledge of what is going on. He is in the best position to make suggestions for improvement. He is in a position to follow through on many of these ideas and see that they are accomplished.

What shall we do?

a. Take time to look around—or be willing to look. It really doesn't take much time.

b. Be willing to question every move, handling, and storage that is seen.

c. Taking any specific move ask: "Is this move really necessary?"

d. Are we moving the proper thing? Sometimes it is easier to move the worker than move the materials.

e. Combine moving and processing as in automobile assembly lines.

f. How else can this material be moved? We should know all of the mechanical ways of moving. This means some reading will probably be necessary in order to keep up.

g. Can more be moved in a unit load particularly if subsequent handlings are necessary? This brings up the unit load principle. The pallet, skid, etc. are important. Don't handle small objects piece by piece if there will be subsequent handlings unless, of course, they flow down a conveyor where no handling is required between operations.

h. Consider the importance of packaging and package design.

- i. Study layout (processing).
- j. Study layout (storage). Also space utilization.
- k. Terminal time principle—Don't keep equipment waiting.
- l. Separate materials handling from processing. Skilled operators should not make long moves or too frequent short moves.
- m. Mechanize! A word of warning—sometimes manual handling or a man and a wheelbarrow may be the best way. Justify all expenditures for equipment. Make a thorough study first then select the equipment. Don't arbitrarily decide on a certain type of equipment then try to justify it. R. W. Mallick of Westinghouse has worked out the following rules when to mechanize:

- (1.) When a male operator must lift material regardless of weight or bulk frequently from floor level to a point overhead.
- (2.) When a female operator must frequently lift materials from floor level to chest height.
- (3.) When more than one operator is required to lift or move material.
- (4.) When male operators must lift materials weighing over 75 pounds to a point above the level of the knees.

- (5.) When female operators must lift materials weighing over 35 pounds to a point above the level of the knees.
- (6.) When either male or female operators ordinarily engaged at other tasks must handle materials constantly for periods longer than 30 minutes each day, in order to perform their normal operation.
- (7.) When either male or female operators are required to handle similar materials daily over long periods of time.
- (8.) When one or more operators must move materials of large quantities or large total accumulated weight for a distance greater than 50 feet.

I have tried to define materials handling, show its importance, and make a few suggestions as to what to look for.

You as foremen are in an excellent position to do something about materials handling problems.

The opportunities are tremendous and the results of your efforts will be very gratifying to you and your companies if you will know materials handling, study your problems, and follow through.

Of the 624,500 men and women who were steelworkers in mid-1949, only 10 per cent can be classified as "unskilled labor." This was reflected in the average hourly earnings of wage earners: a high-ranking \$1.68 as of June.



Western Pennsylvania NAF Affiliated Clubs' group at the Detroit Convention (left to right—front): Hilewick, Railway Ind. Eng.; Magruder, Talon; Snyder, Universal Cyclops; Miller and Grissinger, National Tube; Crook, Robertshaw-Fulton; McGettigan, National Tube; McAllister and McGinnis, Dravo; Baughman, Robertshaw-Fulton. Middle: Cellaihan, Meadville Foremen's; unidentified; Hobson, Universal-Cyclops; Cook, Spang-Chalfant; Rummel and Bridges, Robertshaw-Fulton; Sheets, Burns, and Bostwick, Pittsburgh Coke & Chem.; White, Blaw-Knox Div.; Schaeffer, National Tube. Back row: unidentified; unidentified; Weber and O'Toole, Duraloy; Moran, Spang-Chalfant; Gearhart, Railway Ind. Eng.; Goulding and Shannon, Dravo Club; Finn, Pittsburgh Coke & Chem.; Smith, Blaw-Knox Div. Missing from photo: McCann, Sylvania Elec. Prod.; Lowe and Payne, Dravo.



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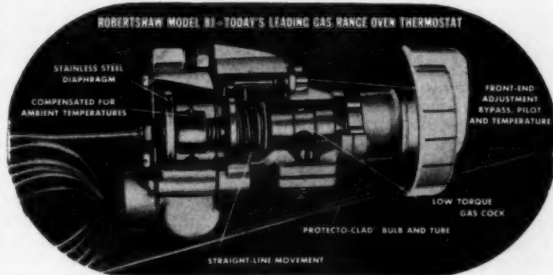
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## DON'T SHORT CIRCUIT YOUR VENTILATION-- THIS IS NOT HOT AIR

By Walter Konn

**T**HE most important objective here is maintenance of workers' health. This is bound to result in better products, greater interest of workers in a product or process and less labor turnover.

Official agencies are more and more interested in writing codes and ordinances dealing with airborne diseases. Since reputable manufacturers are willing to comply with such codes or ordinances, this reason alone has given great impetus to provision of better working conditions. However, the writing of a code is not enough in all instances. Some codes are too severe. Some conflict with codes or ordinances set forth by other official agencies. Some are erroneous and hence gain disrespect.

How do we find out if process ventilation is required?

Check with your Engineering Department, especially in the blueprint stage. If any hazardous processes are involved, you can start the ball rolling to get them ventilated and prevent trouble before it can get a start.

Production or Process Engineering Departments can keep you informed about new materials or processes. Here, sometimes, you can make trial runs of materials or processes which might give rise to troublesome problems.

The Purchasing Department can keep you informed of new materials coming into your plant and you then decide if these materials can be safely used. If necessary, proper ventilation will often make an otherwise unsafe material usable. Keep a wary eye open for salesmen who make all inclusive statements about the safety of their products.

Inspection trips keep you abreast of new processes, tools or materials in use.

The last source of information should be supervisory or labor complaints. A good supervisor shouldn't let things get to this stage. The four methods outlined above should take care of any problem except the most obscure—some invisible or completely unsuspected fume or vapor.

There is one criterion to look for in all varieties of industrial process ventilation for worker protection. It is this: the flow of fresh air to the exhaust hood should be from behind the worker to the ventilation hood. If this criterion is followed, your troubles will be remedied.

Mr. Konn here described various kinds of ventilation and velocity measuring and sampling instruments.

One of the common causes of ventilation failures, believe it or not, is the fact that the system isn't even turned on. Even if the system cost \$100,000, if it isn't running, it can do no good. Time after time, I have listened to complaints about "that useless monstrosity the department installed," only to find that the system wasn't running. It seems that it's just human to look for the least obvious fault and find that what should be the most obvious is actually at fault.

Some of the more frequently found causes of ventilation failures are (not necessarily in the order of their importance):

Fan intakes plugged by paper, rags or other debris. This happens fairly frequently.

Backward operation of centrifugal fan. This also applies to vacuum cleaning units, if you have any in your plant. Fans are usually marked as to the direction in which they should rotate. A backward rotating fan will still deliver some air but the volume is much reduced.

Short circuiting of fans or hoods by open windows, doors, skylights, monitors or stacks.

Electrical equipment failure. Relays or fuses may be out. Then, when the start button is pushed nothing happens. Warning lights in series with the fan will help alleviate these troubles.

Corrosion of ductwork and fan wheels by fumes. Acid proof construction and painting will help some but such systems should be watched closely anyway.

Tanks or canopy hoods too near open windows or doors. The air blowing in completely upsets the balance of such systems.

## JOB EVALUATION AND WAGE INCENTIVES-- VALUABLE TOOLS OF MANAGEMENT

By John Patton

**W**E here in this country have increased our standard of living two and one-half times since 1909. I am sure you will agree this is directly the result of our ability to produce in greater quantities per man hour than any other country.

When we realize that the tools of management, such as job evaluation and wage incentives, are some of the tools that have given you and me this highest standard of living, why have we failed in their wholehearted acceptance?

A wage incentive, or job evaluation plan, is neither a substitute for good management nor an assurance of ideal labor relations. It is an agreement between employer and employee for payment of increased wages in return for output above normal performance. In other words, we want to buy increased production and we want to pay for it. If the wage incentive can be defined as that type of transaction, it sounds reasonably easy to sell the idea to both worker and management and to see that the sale can be a good one from both viewpoints.

Most employees will accept the idea that a man, by virtue of extra effort or skill, is entitled to a paycheck containing extra money. The breakdown of the wage incentive principle is that too frequently neither the employee nor the employer is completely aware of what is wanted, how it should be pur-

Air bound rooms—especially in northern climates, where severe winters force the closing of doors and windows. This is especially true where siphon (induction) systems or axial flow fans are concerned.

Exhaust hood too far from contaminant source. This happens very frequently. A simple demonstration will show what happens. Blow at a lighted match and you can blow it out a couple of feet away. Try to suck it out and you won't have any luck until the match is burning your nose. This applies to canopy hoods and sidedraft or backdraft hoods especially.

Too low velocity for carrying dust in the ducts. This may have been poor design or due to clogged ductwork. It also may have come about because the sheet metal shop kept adding more ducts to an existing system designed for a particular load.

Drawing contaminated air back into a plant from some discharge stack. The remedy for this is to carry the discharge stack high enough above the building to obviate this trouble.

There are numerous other reasons for failure of ventilation systems but these are encountered most frequently in my experience.

All this wordiness adds up to this bit of common horse sense. If your ventilation system is properly designed, the application of good maintenance and alert supervision will keep it doing a good job for your plant.

chased, or what to watch out for in the transaction.

We have learned in the last 20 years some of the most certain reasons for failures of wage incentive plans. They can be classified broadly as three prime offenses. The most serious is the offense of acting in bad faith. Both management and labor have broken faith with each other. The greatest single opportunity that they have had to benefit mutually has been tossed out the window. That opportunity is the principle of wage incentives for the worker. As a result of that broken faith, the worker is not sure that employees should work as hard as they can—is sometimes

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suspicious of management's motives in raising output.

A second fault—and one which is common today—is the poorly devised plan, based on poorly established standards.

The third fault, and the one which is most important to all of us, is the failure of management to recognize and utilize the rules of human behavior. While a wage incentive plan may be designed to benefit both employer and employee, it is frequently a failure because we have failed to recognize those laws of human behavior, and as a result a great deal of sincere, honest effort has been totally wasted. I would say that if the causes of poor incentive plans were to be traced down and classified, the failures would probably be about 10 per cent technical faults, and 90 per cent faults in basic human engineering.

Since I have been in this field, I have been convinced that successful applications of Industrial Engineering techniques, whether they be wage incentive programs or any other tool of management, are 20 per cent technical and 80 per cent selling—selling for wholehearted acceptance.

We all are aware of the time and effort which is consumed in working up a sales presentation for a single product—days, weeks, and months of building and rebuilding. I am afraid that industrial engineers as a whole cannot be accused of building up any comprehensive sales techniques for their product.

Management feels that once a wage incentive or job evaluation plan is installed their worries are over. As I stated before, they are neither a substitute for good management nor an assurance of ideal labor relations.

In general, a standard hour or standard minute plan is most practical over and above a piece rate program, because it separates time (which is not negotiable) . . . and money (which is).

A recent survey showed that 30 per cent of the companies using piece rates have switched to Standard Hour.

Industrial engineering can be accused of talking with a Harvard accent and spending too damn much time on decimals rather than wholehearted acceptance.

Many supervisors feel that if they are thoroughly familiar with the Evaluation and Incentive Plan, it is not necessary to explain it to their employees. We might ask ourselves the question: Who is on incentive? It is the employee. And we cannot deny—we believe what we want to believe unless we are told otherwise—and it is usually not good. To the employee the foreman is the management.

The question always comes up: Should time values be negotiated?

I would like to summarize what I feel is the supervisor's responsibility in the establishment of standards for incentives:

1. That the work is being performed on the proper machine or equipment.
2. That the operator is giving a satisfactory effort.
3. That proper tooling is provided.
4. That material handling is adequate.
5. See that the operator is notified that Time Study is to be taken.
6. Be in a position to answer all questions.
7. Most important — notify Time Study Dept. of any and all changes.



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8. Should review all studies.  
Many of these points I have brought up this afternoon can be elaborated upon in our discussion. However, I feel that it is the job of all of us to convince

management that through progressive aggressiveness it can have more profits, labor can have more take-home pay, and we can all have a higher standard of living.

## A SUCCESSFUL WAGE INCENTIVE PLAN

By Wendell Anderson, Jr.

Mr. Anderson used Bundy Tubing Co.'s "Cost Savings Sharing Plan" in presenting his subject.—Editor.

**B**UNDY TUBING COMPANY manufactures tubing in small diameters called "Bundy weld" which is marketed both in straight lengths and in fabricated sub-assemblies for use in automotive, gas range, refrigeration and other industries.

Decreasing productivity of workers and steady demands for increased wages were more and more pushing the Company out of a favorable competitive position. Accordingly, the workers were advised that some mutually acceptable plan had to be found whereby both the Company and the workers might continue in business together.

The Cost Savings Sharing Plan, as finally presented to the Union Committee and their International UAW-CIO Representative provides for extra earnings in direct proportion to the savings on hourly rate costs. The earnings are computed by determining the ratio of hourly-rate labor cost to the sales dollar; that is, the value of the goods produced.

Taking a typical sixteen-week operations period from October 1, 1945 to January 22, 1946, the Company found that thirty cents of each net sales dollar was being paid out in hourly wages. Thirty per cent of the sales for any month, then, yields the allowance for hourly rated labor. The difference between this allowance and the amount actually paid in hourly wages that month makes up the gross earnings under the CSS Plan.

For example, suppose the Company paid out \$210,000 in hourly wages in each of two succeeding months. But suppose, further, that the Company produced only \$700,000 worth of tubing the first month and \$840,000 worth the second. The Company would have then produced \$140,000 worth of additional goods the second month at no increase in labor costs.

Multiplying the sales by the thirty cents labor cost ratio gives the extra wages allowable to the Plan. Thus:

	Month A	Month B
(Sales) .....	\$700,000	\$840,000
(Labor cost ratio) ..	.30	.30

(Allowance on hourly rated labor) \$210,000 \$252,000  
Subtracting the wages actually paid from the sum allowed gives the CSS Plan gross earnings. Thus:

	Month A	Month B
(Wages allowed) .....	\$210,000	\$252,000
(Wages paid) .....	\$210,000	\$210,000

(Gross Earnings) .. — \$ 42,000

The gross earnings are then divided equally between the hourly rated employees and the Company.

To find each employee's share, the workers' half, \$21,000, is divided by

the total number of hours worked. In this hypothetical instance, a man-hour total of 160,000 would mean an extra payment of 13.1 cents for each hour worked during the month.

The Union wanted to know whether the foremen would benefit sufficiently from the Plan to assure their cooperation in obtaining high production.

It was explained that Bundy salaried workers have participated in a bonus plan, based on a percentage of earnings, for several years; hence, it was to the advantage of supervisory employees to keep production at a peak.

The Union asked, too, whether the Company would impose limitations on extra earnings at some future date. We stated there would be no ceiling.

Total savings under the CSS Plan for the first two years, April 1, 1946, through March 31, 1948, were \$2,295,058.06. Of this, the employees' earned share was \$1,153,532.68. This includes the Company's voluntary payments to those hourly rated workers not covered by the Plan for one reason or another; for example, hourly rated workers who are temporarily assigned to salaried jobs.

The average bonus per hour the first

year was 23.338¢ for the second year 26.735¢. Workers on full time earned an average of \$461.51 the first year and \$532.77 the second, out of the Plan.

There has been a marked decline in absenteeism under the Plan. The per cent absent per day dropped to 5.5% the first year and to 4.9% the second. (In the first five months of the Plan's operation alone, absenteeism dropped 33½% under the figure recorded for October, 1945, through January, 1946.)

Plant efficiency, another index, rose approximately 50% over the two year period. Tons of tubing produced per man per year rose from a pre-Plan figure of 12.22 to 17.47 the first year and to 18.32 the second.

In terms of the specific two year period just ended we can only call the Plan an unqualified success. Worker morale increased sharply right at the outset and has remained steadily high. There is a better spirit throughout the plant, a definite feeling of alertness, eagerness and an improved attitude on the part of the workers towards their work. The employees are cooperating with the officials and with each other. Finally, there is a definitely noticeable interest by the workers in the over-all problems.

We would like to point out, however, that during this period wages, prices and demand have all been at a high level. There has been no chance to observe how the Plan would fare under actual conditions if the reverse were true. Enthusiastic thus far, we must obviously reserve judgment in terms of long-range operations.

## LOOK OUT--YOUR SPEECH IS SHOWING

By B. D. Danchik

**T**HE supervisor's job may be briefly defined as one which requires the ability to "work with people." When this phrase is analyzed, it really means ability to convey meaning, communicate ideas, pass information from supervisor to workers. The usual manner in which this is performed is through speech. It follows that the ability to speak well and effectively is a major attribute of good foremanship.

Whether the supervisor trains, interprets policy, admonishes or praises a worker, he does so largely through speech. If he persuades him to better performance, or greater cooperation, he does so by talking with him. Speaking effectively is the most important single ability required by anyone in human relations work.

A course in effective speaking is designed primarily to improve this person to person type conversation. The reason that the course is given as "public speaking" is because it (a) lends itself better to the training process, and (b) the same basic principles apply to speaking in public as in effective personal conversation. We believe if the supervisor can learn to do the slightly more difficult task of learning to speak in public, he will automatically have learned to be a more effective individual speaker. In both events, he will have gained much in self promotion and personal satisfaction.

Fear is as natural for the speaker as breathing. The professional speaker, too, feels tensions. However, the professional knows what is going to happen and can control the feeling to a great extent. No one need be alarmed because he feels tension. It is merely nature's way for preparing the individual for overcoming a crisis. The capacity to organize well, and familiarity with speaking experience, gradually eliminates his worst feeling. Adequate preparation is a help. But it will never be completely done away with. It is a necessity if the speaker is to perform at his best—keyed up to normal tension.

Speaking is simple, if proper, sympathetic supervision is provided beginners. It requires that it be looked at as a normal activity requiring no unusual attributes. It requires that the learner know how people learn, and that he know how to teach. He must learn to prepare adequately and according to best logic. Finally, he must learn to speak it according to formula. If he does, he will have no great fears, and will feel a real satisfaction.

This course is divided into four basic parts, as follows:

- Let's remove the halo from public speaking.
- The submerged seven-eighths.
- Preparation and perspiration.
- Now say it—Without Fear.

Each portion leads up to a full and complete understanding of the prin-



ciples and methods of speaking effectively in public. The first step is to convince the average supervisor that he can speak well in public—by a process of proving to him that the requirements for good public speaking are within his capacity. For example, he is told that he requires no outstanding, inborn characteristics. Speech is a natural process with anyone who has average intelligence and ability to organize his ideas and say them. Nor does he require special training in gesturing, voice, elocution, stage presence. He needs no special personality, nor is "polish" in the narrow sense of that word, a requirement. Naturalness and simplicity, rather than artificiality and a "high falutin'" vocabulary, are the essentials.

Thus by removing the fears which many people have, a great deal is done to give them confidence. By making public speaking as natural as any other conversation, the way is paved to better performance. Take away the halo and speech to groups becomes something to relish rather than to fear.

By the "submerged seven eighths," we mean that portion of the speech effort which is normally hid from the audience. Though speaking in public is not a mysterious task, it cannot be done without some "sweat and tears." This constitutes the portion which the audience never sees, the preparation, the strategy of thinking straight in order that later, the speaker may speak straight.

To do so, the learner is advised how to think in order to get the right kind of response from the audience. He is told that the best type of speaker is one who is teaching the audience. He must know something about the principles of teaching, and about how folks learn. He can then use the methods which make for best absorption of material, best retention and most spontaneous interest.

The learner is advised how to hit the psychological "soft spots" to obtain interest; how to "paint word pictures" so that the right ideas are correctly absorbed; how to use repetition and association to obtain the greatest amount of retention of material by the listener. In addition, he learns how to use the outline as the basis of his speech. Once he has learned to do this, the next step gives him a formula for preparing his speech. He learns there are six steps to be used in the process, and starting with the two steps which involve mere mental activity, he determines his objective by analyzing what action he wants from his audience. He is then in position to obtain the best subject matter, the second step. When thus prepared, he can put something on paper.

His first step on paper is the rough outline—a breakdown of major points which will both cover his talk and fulfill his objective. He weighs whether or not to retain any point by checking with the objective. If it fits, he uses it. Having completed his rough outline, he then "puts meat on the bones" by adding detail and "pictures" to each. Having completed this step (the smooth outline) he is ready to consider opening remarks. These must have two purposes: To interest the audience and to make them aware of his general theme. Completing this step can take the form of either the shock opening, the question, the quotation, or the

story. Finally, he must make concluding remarks, which must summarize and ask for the action.

Now he is prepared to say it without fears. By using the steps he has prepared, but not in the following order, opening remarks, rough outline or plan, smooth outline or body and finally, the summary. Each step has a purpose. The opening remarks to attract the listener's attention and tip him off on what is to follow. The plan

bears the same relationship to the body of the talk as does a table of contents to a textbook. It provides the listener with a bird's eye view of the major elements. The body of the talk is the detailed analysis or "word picture" of the rough outline, in which a carefully planned case is made for whatever is the speaker's purpose. The summary provides the listener once again with a perspective of the speech, and asks him to take what action the speaker wanted in the first place.



## By Dr. Arthur Secord

(Second Day Session)

**I** SHALL comment on three aspects of speech: vocabulary, speech organization, and speech delivery.

**VOCABULARY** — Each person has two vocabularies: a speaking vocabulary and a reading and listening vocabulary. In all instances the second is the larger. Each of us recognize many words in our reading or when we hear them which we would not ordinarily use. They are sometimes called "two-bit" words. We would feel that if we used them our listeners might think we were showing off. The only way to add to either of our vocabularies is to look up new words we find in our reading, in a dictionary.

If a friend, in conversation, uses a word we don't recognize, ask what it means. So many of us fail to do this because it makes us appear ignorant. This type of ignorance should never cause embarrassment. It is what Will Rogers had in mind when he said, "Everybody is ignorant—only about different things."

Chief aim of vocabulary building should be to attain a vocabulary so that we can express our thoughts in simple language. It should never be used for the purpose of exhibitionism. The most powerful statements have usually been phrased in simple words.

**SPEECH ORGANIZATION** — The average person is most interested in two speaking situations: the informal conference room speech and the formal platform address. The organization of these two types differs somewhat.

In the conference room you are speaking for or against a motion or a proposal. State at the beginning what your stand is and why. Then give an example and restate your point. It is as simple as that. Don't say: "I'm against holding the picnic there because there are a lot of disadvantages to the place." Say instead, something like: "I am opposed to holding our picnic at Sand Lake because the place is infested with poison ivy. Last Spring my bowling club held its picnic there and seven people were laid up with ivy poisoning. Let's not hold it there."

The most effective organization for the formal platform speech is the one recommended by Richard C. Borden. It consists of four steps which he calls: (1) Ho hum! (2) Why bring that up? (3) For instance! (4) So what?

1. In the first sentence of your formal platform speech gain the attention of your audience. If you are talking about shop safety don't begin with the statement: "This morning I am going to talk about shop safety." Say instead:

"Twenty-two shiny new coffins arrived in our city this morning."

2. In the second step tell your audience what you are going to talk about and why it is of interest to them. Build a bridge from you and your subject to whatever remote place your listeners may be at the moment.

3. Get down to cases! Nothing is ever clear until it has been illustrated by a "for instance."

If talking about shop safety—be specific. Be specific about the men who were injured, or the machines that were damaged, or the number of weeks without an injury in a particular department. Here is an excellent illustration of the use of "for instances." Marcus Duffield was speaking about the overlapping functions of the federal government. "Overlapping functions in government bureaus are not necessary— but just plain foolish!"

"Take foxes. If a man shoots a fox in Alaska, he must settle accounts with the Department of Agriculture. But if



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he traps the fox, he must settle with the Department of Commerce.

"If you think two-department care of Alaskan foxes is just an accident—then take bears!

"The Secretary of the Interior protects grizzly bears.

"The Secretary of Commerce protects brown bears.

"The Secretary of Agriculture protects brown bears.

"If a Kodiak bear has twins, one brown and one black, they are under the auspices of two different federal departments."

4. In your concluding statement—ask for action! Don't just run down. Finish! At the end ask your audience to do something. Vote! Wear safety equipment! Buy! Contribute! Keep the area clean around their machines! Join!

Remember the Chinese proverb, "To talk much and arrive nowhere is the same as climbing a tree to catch a fish."

**SPEECH DELIVERY**—Good speech delivery (at least good enough for

most purposes) can be developed if the speaker has but two things. They are something to say and a desire to say it to this audience. Oscar Ameringer, an immigrant with little schooling who made a name for himself as a labor leader in Wisconsin and Oklahoma, said that to be a good speaker: "You gotta look 'em in da eye and you gotta put some drama into it!" Seldom have I heard so much truth in so few words. You can talk about the details of voice and diction, breathing, posture, gestures, eye contact, until you are black in the face. But until the speaker couples all of these with a real sense of communication no real speaking will take place. The man who has a real message and the courage to stand up and talk, need not worry about the mechanics of speaking. As Dale Carnegie says, "Faults cannot ruin a speech. Only a lack of virtues can ruin a speech."

Develop the use of words. Have a practicable vocabulary. Learn to organize your remarks so they will have telling effect. Have a message and a desire to share it—then go to it.

Steel Corporation case, the Board recognized a union of foremen which was directly affiliated with the union of men working under their direction. (Jones & Laughlin Steel Corporation, 66 NLRB, 51.)

The cycle was thus completed and the Board was now recognizing unions of foremen irrespective of the amount of authority they might exercise and whether or not such unions were directly affiliated with the production workers' union in the same plant. This situation gave rise to widespread criticism and demand for legislative action. The Packard Motor Car case found its way to the United States Supreme Court, wherein that body rendered one of its famous 5 to 4 decisions. The majority opinion, in which the action of the Board was upheld, frankly invited action by the Congress to settle the question. The minority opinion stated that throughout industrial history foremen had been the arms and legs of management, were a part of management and were therefore not an appropriate unit for collective bargaining purposes as contemplated by the Wagner Act.

The first legislation dealing with the subject was that enacted in the so-called Case Bill. This measure defined foremen and exempted them from the provisions of the Wagner Act. The legislation was vetoed by the President, however, and so the Wagner Act as interpreted by the Board remained the law of the land.

In the summer of 1947, the Congress passed the so-called Taft-Hartley Act which officially is styled "The Labor-Management Relations Act, 1947". This legislation contains three provisions dealing with the controversial question of supervisors and their right to compulsory collective bargaining.

Section 2(3) of the Act defines "employee" and then recites that the term shall not include any individual employed as a supervisor.

Section 2(11) of the Act defines "supervisor" as "any individual having authority in the interest of the employer to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline other employees, or responsibly to direct them, or to adjust their grievances, or effectively to recommend such action if in connection with the foregoing the exercise of such authority is not of a merely routine or clerical nature, but requires the use of independent judgment."

Section 14 of the Act which appears under the Limitations Section contains the following:—

"Nothing herein shall prohibit any individual employed as a supervisor from becoming or remaining a member of a labor organization, but no employer subject to this Act shall be compelled to deem individuals defined herein as supervisors as employees for the purpose of any law, either national or local, relating to collective bargaining."

It is to be noted, therefore, that the Taft-Hartley Act not only does not forbid the unionization of foremen, but it specifically provides that supervisors may if they choose form a union. In the judgment of most lawyers, such a statement was not necessary and was simply the recital of a constitutional right. What the legislation actually does is to remove any man employed in interstate commerce as a supervisor from the benefits of the Wagner Act. Stated another way, it provides that employers are not bound to recognize and bargain

## WHAT'S THE SCORE ON LABOR LEGISLATION?

By Harry Jeffrey

**I**N almost every realm of activity, laws have been passed to regulate the conduct of one man to another. As industry has become more complex, so laws have been passed to spell out the rules of the game in the field of labor relations.

At the turn of the century, the employer or organized capital enjoyed preponderant control in the industrial world. From about 1900 until the present, a series of laws were passed limiting the rights of industry or the employer and in turn conferring rights upon organized labor. This swing of the legislative pendulum culminated in the enactment of the National Labor Relations Act or the Wagner Act in 1935. Under its authority to regulate interstate commerce, Congress by this Act required the employer to bargain collectively with representatives of the workers' organizations.

It is interesting that throughout the entire discussions of the Wagner Act both in committee and on the floor of the Senate and House of Representatives, there is no reference to foremen and supervisors. The reason is clear. The legislation was passed to remove obstacles to the free flow of commerce between the several states. And organizations or unions of foremen with resulting strikes or work stoppages were simply unknown.

The National Labor Relations Board was set up to administer this Act. For almost seven years after the legislation became effective, no case involving foremen came before the Board.

In 1941, from widely separated sections of the country, two cases came before the Board in which it was asked to certify unions as the exclusive bargaining representatives of foremen under the Wagner Act. (Matter of Union Collieries Coal Company, 41 NLRB, 961; Matter of Godechaux Sugars, Inc., 44 NLRB, 874.)

The three-member board split on these cases, two members holding that

foremen were employees under the meaning of the Act and were entitled to such compulsory collective bargaining rights. A strong dissenting opinion was prepared and written in each case by a third board member.

As a result of these decisions, a measure was introduced in the House of Representatives to amend the Act and specifically exempt foremen or supervisors from its provisions. While the proposed amendment was pending, a number of other cases came before the Board involving the same question. In these cases, the Board reversed itself and held that an organization of foremen did not constitute an appropriate unit for collective bargaining purposes. The majority opinion now stated that such action was unwise both from the standpoint of foremen themselves and from the point of view of the welfare of the rank and file workmen. (Maryland Dry Dock Company, 49 NLRB, 733.)

But the Board was unable to maintain a consistent position on this controversial question. Two years later, in the case of The Packard Motor Car Company, the Board ordered the employer to recognize and bargain collectively with a foremen's union. In this case, the Board examined the extent of authority of the foremen involved and the phrase, "mere traffic cops of industry" was coined. In this case also the foremen's union was not affiliated with the union of workers whom the foremen supervised. (Packard Motor Car Company, 61 NLRB, 4.)

The next significant case to come before the Board on this question was that of The L. A. Young Spring and Wire Company. In this case, the foremen involved had authority to hire and fire the men working under their direction, but the Board ignored the distinction previously made in the Packard case and held the union to be an appropriate one for collective bargaining purposes. (L. A. Young Spring & Wire Company, 65 NLRB, 298.)

Finally, in the Jones & Laughlin

collectively with foremen's unions and cannot be cited under the Act before the NLRB for failure to do so.

As is usual with any legislation, this provision of the Act has been the subject of interpretation in the courts.

A direct frontal attack on the constitutionality of these provisions was made in the case of National Labor Relations Board v. Edward G. Budd Manufacturing Company before the United States Circuit Court of Appeals for the Sixth Circuit. In this case, the Foremen's Association of America attempted to maintain that the Act infringed upon constitutional rights. This contention the court unanimously denied. As the court's decision sets forth, the Wagner Act created special statutory rights and privileges for unions of production workers which were unknown at common law, and the Congress was fully within its rights in withholding such statutory benefits from any given class of employees. Such rights were denied to agricultural workers both under the original Wagner Act and as that Act is amended by the Taft-Hartley law.

Another attempt was made to maintain that a foreman must exercise not one but all of the prerogatives set forth in the definition of a supervisor in order to be exempt. The court promptly disposed of this contention and ruled that authority to exercise any one of the powers set forth in the definition was sufficient to constitute an employee a supervisor under the terms of the Act.

A recent decision of the United States Circuit Court of Appeals involving these sections was handed down on July 25, 1949 in the case of The Ohio Power Company v. National Labor Relations Board. In that case, the court ruled that the status of a person as a supervisor depends upon the existence of the specific authority as set forth in the definition and not upon the frequency of its exercise. The second principle laid down in this case is that the phrase in the definition "responsibly to direct" is plain and unambiguous and does not have a special qualified meaning requiring a resort to its legislative history to determine its meaning.

It would seem that, aside from unusual circumstances, these sections of the law have withstood attack and that their meaning has been firmly and judicially established.

With the enactment of the Taft-

Hartley Act, it appears that the legislative pendulum has begun to swing in the opposite direction. It is to be hoped that this time the swing may be stopped as nearly as possible at dead center so that the rights of both management and labor, and incidentally the public, may be properly safeguarded.

In the last analysis, however, laws

and courts will not bring about industrial peace. Foremen are management and as such, in daily practice, must be aware both of their rights and responsibilities. Laws may spell out the rules of the game but in this as in any other field of human relations, fair dealing by and to the foremen will alone suffice.

## UNITED MANAGEMENT--A DREAM OR A FACT

By Richard Will

**M**MR. R. V. WILL, assistant manager of Industrial Relations of the National Cash Register Company, described management relationships that exist in that company.

He pointed out that frequently conferences are held in which top management and other levels of management meet together to discuss company policies, problems and future plans. In many discussions, representatives of top management, from the president on down, take an active part in the meetings. This unity of management at the National Cash Register Company was further emphasized by the dining room facilities for supervision. There is one for top management, another for operating or supervisory management and a separate one for rank and file employees.

Throughout he emphasized the *esprit de corps*, spirit of cooperation, and loyalty that exists, not only at the management level, but all levels and even to the relationship between the company and the union. Apparently to properly evaluate any employee relation problems of the National Cash Register Company, one must first know and appreciate the spirit of loyalty and faith in the company that has been engendered among the employees. The unity of management is merely another reflection of this spirit. He emphasized the fact that this spirit was not a result of any one action but of many actions over many years, beginning with the founder of the company, John H. Patterson.

A public opinion survey taken in

Dayton proved his contentions. It indicated the high regard in which the people of Dayton hold the company, his point being that it is easy to develop a united management in such an atmosphere, in fact, it follows naturally.

The discussion that followed was brisk and in general centered around skepticism of the results that Mr. Will claimed. In answer Mr. Will pointed to a long history of fair dealing with all employees and to taking all levels of management into the confidence of top management. Another representative of the company in the audience helped bear out Mr. Will's statements. One National Cash Register Company representative who had formerly been with another concern, made the remark that everything Mr. Will claimed is true but you had to be in the company to believe and appreciate it.

Another question brought out the fact that even in negotiating the labor contract, all members of management are given an opportunity to make suggestions and to criticize agreements as they are being developed.

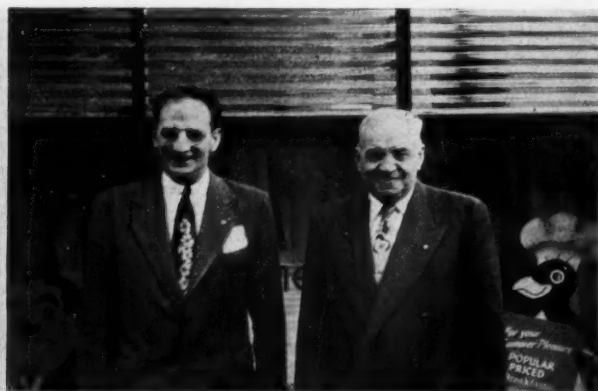
Evidence of National Cash Register unity was the fact that every member of the company attending the conferences came to Mr. Will's sectional conference voluntarily and I might add proudly.

A widower who was about to be married for the third time, and whose bride-to-be had also been at the altar before, wrote at the bottom of the wedding invitations:

"Don't fail to come. This is no amateur performance."



"Fun & Frolic" at Pennsylvania state get-together at Detroit's Tuller Hotel (left to right—facing): George Payne and A. G. McGinnis, Dravo Corp.; W. G. White, Blaw-Knox Divn; (back-view): I. Jones, Lewis Foundry Divn; J. L. Burns, Pittsburgh Coke



& Chemical; E. Grissinger, National Tube Co. The two humorists publicizing Tuller coffee shop are Blaw-Knoxers Jack Smith (left) and Bill White. Many other states held similar meetings, but none excelled in enthusiasm.



# THE WORKER--YOUR RESPONSIBILITY

By Everett R. Smith

**T**HE attitudes of the men in your plants are very important for two major reasons.

Obviously their attitudes are important in relation to operations: labor disputes, production, all of the other factors.

But there is another, broader importance. In this country labor accounts for 49.2 per cent of all the families. That is 58.5 per cent of all urban families. They are the largest single group in this country. Their voting power is even more effective.

These workers and their families are questioning many things—they are being impressed with much misleading information, half truths, and distorted pictures of conditions, particularly in regard to industry. Tremendous efforts are being put forth by proponents of other philosophies to sway them from their natural American attitude to an antagonism which would overthrow the American system of enterprise.

Yet, the great majority of them are against government ownership, operation, control of any of our major businesses. Some favor governmental operation of banks (3 out of 10), yet two thirds are positively against it. Governmental operation of railroads is opposed by 72.7 per cent, of coal mines by 74.3 per cent, of electric and gas companies by 74.7 per cent and of telephone and telegraph companies by 79.3 per cent. As to manufacturers of consumer goods, 87.4 per cent definitely oppose government control of those.

What the workers are thinking we learn primarily through two different sources.

One is the Wage Earner Forum, sponsored by Macfadden Publications: a properly distributed national cross section of wage earner families representative of every section, of city-size groups and of industrial concentration. These families frankly and freely report their views. They know that they are reporting to a publisher's independent opinion survey—that their opinions will never be revealed. As they often say, when I call at some of their homes, they welcome these questions about labor-management attitudes, national affairs and others. It gives them a chance to get off their chest what they really think without fear of reprisals.

Last fall they told me how they intended to vote. We announced a week before election that they were going to vote preponderantly for Truman. They told us the truth.

Workers criticize the lack of understanding between management and labor. They feel keenly their remoteness from management. They believe management is responsible for the development of bad situations on the part of foremen and other "in-between-guys."

Many comments by many workers are represented in these quotations: "Not enough effort on the company's part in improving employee-employer relations." . . . "Too many giving orders and often cross each other; bad working conditions." . . . "In regards to promotion it doesn't matter how much one knows, but who one knows that counts." . . . "They have no definite policy. They change their policies all

the time and keep the employee mixed up." . . . "Too much 'red tape.'" . . . "They won't negotiate or send men out that have authority to negotiate." . . . "Don't pay much attention to employees' suggestions pertaining to work."

Many say union leaders want it that way. In brief, they feel this wall between themselves and management is held up by two forces—by management itself and by many union leaders.

Yet, the men want more direct contact. They want information "from the horse's mouth." They have suggested again and again that management should call them together in groups and explain the problems and purposes of business, particularly those which apply to their shops.

Where a complaint is handled by a representative of the men with a representative of management, the men often feel they did not get what they asked for because management outsmarted their representative; or their representative did not do a good job; or management "got to" him. Yet in many cases, if all the facts were known to the men they would have understood.

If all involved are called in and the whole matter brought out for open discussion, there are no sore spots left festering. Furthermore, all of the men hear the other side. They know why their request cannot be granted, if it is impossible. They get an impression of sincerity of management.

To these workers, you foremen and supervisors are the company. Here are some direct quotations—what they have said to us as to their attitudes toward management men as represented by you:

"Management should meet with the men—should study their jobs and their needs."  
"Management men don't understand people. They kid the workers. They don't tell them the real truth."

"The trouble is that folks don't see or look at the other fellow's side. That's mighty true in business. They are too tied up in their own affairs. They should get together often—there should be at least group meetings and then the foreman can carry ideas back to the higher-ups."

"The company gives supervisors hot talks to pass on to the men. Then they wonder why there are complaints and troubles—when they pay the supervisors less than the men who work under them."

"We all laugh at our new personnel man who 'took a college course.'" Many of the difficulties in our company are due to men at certain of the management levels."

"There is too much favoritism on the part of the bosses."

"We want some appreciation, a pat on the back—that is more important than pay. A lot of us are fed up with the company attitudes."

"Most people feel (and rightly so) that 'pull' contributes 75 per cent to getting ahead on a job and hard work and ability 25 per cent."

"I wouldn't mind a good day's work if conditions were good, and you get ahead; it should be on your ability, and not the one who smiles the nicest to the boss."

I have quoted these to indicate the degree to which, in the minds of the workers themselves, their attitudes are your responsibility.

Let us look into some broader aspects of their attitudes towards jobs and life itself. These affect all our relationships, but, they spring from relationships in the plant.

Recently we asked some questions based upon our own continuing experience and observations, and the experiences of top labor relations men.

Asked to check general public attitudes with which they agreed or disagreed, the majority agree that working hard and doing a good job is still the best way to get ahead; that down underneath most people feel the responsibility for "giving a good day's work for a day's pay". Only one in ten felt that it was unnecessary.

As one expressed himself: "Most feel today the world owes them a living. I don't, but I feel it owes me a chance to earn an honest living doing one job or another, not just sitting at home, drawing unemployment insurance." That attitude is representative of the majority.

Expressions such as these were checked by the majority as indicating their attitudes—that they enjoy both their job and their home life, but after leaving work they feel free and look forward to things they can do at home—that they may be tired but feel fine because they've done a good day's work. Only one in five agreed that when he leaves his job he entirely stops thinking about it. As one man expressed it: "An honest day's work for honest day's pay, and a clear conscience—then you can enjoy yourself and sleep O. K."

Four out of ten feel they are in the right job. One in four is not completely satisfied with his job but feels it offers a chance to move on to a better. Only one in four have any real criticism of their job.

Believe it or not, three out of five say their job pays about what it's worth.

The majority, too, say they are "doing all right". Eight out of ten have told us they are at least as well off or better than five years ago at the peak of the war boom, when prices were under control and before "inflation".

The true Americanism of these men is shown in these questions. Asked what they would most like to do if unlimited in choice, 46 per cent would like to go into business for themselves. Only one in ten—nearly all older men—said they would like to retire if they had an adequate pension. One in four is satisfied where he is, while almost as many feel that they could handle a somewhat better job.

It is hoped or expected by 75 per cent, that at least one of their children will attend college. That is America.

These are the broad attitudes of workers—basic attitudes you will find in your plant.

What do wage earners want from their company? They check for us the things most important. "Steady Work" was checked by better than eight of ten. Three-fourths checked "good working conditions" and almost as many "good pay." A very close fourth was "good bosses." More than half checked "wished to be treated with respect" and as many "want to be doing something worthwhile." Almost half "want a chance to get ahead." More than a third want to get facts about business.

From all our studies over several years, it is apparent that what the workers want from their companies are basically six things:

- (1) Fair play and a chance to really earn it.
- (2) Self respect—the opportunity to feel that the worker is really part of the company—not just a cog.
- (3) Security in the job, and reasonable welfare plans.
- (4) Opportunity for advancement.



- (5) Fair play—the elimination of favoritism—straightforward dealing between management and workers, with prompt, definite response to complaints.
- (6) That management should be capable and efficient.

What business is it of workers if their management is not capable? It is of vital concern, they tell us, in relation to continuation and improvement of opportunities in the company.

Paternalism they do not want. That was emphasized recently when we asked about company picnics, recreation programs, parties. Over half indicated that as long as the company provides them with a job they prefer to take care of their own social life.

A subject of topmost agitation today is the so-called fringe benefits. We have been asking about this for some time—have a compilation of their recent attitudes. Basic attitudes of workers themselves have not changed—they do not always represent the attitudes of Union heads.

We asked recently about pensions, group health insurance programs for employee and his family, group medical expense programs, sick and accident benefits.

The majority, from 75 per cent to nearly 100 per cent, say they feel their company should have these programs.

Most important, perhaps, is that fully nine out of ten say that the worker himself should contribute toward those programs. That is self respect. It is point No. 2 of the basic six which workers want.

Compare these nationwide attitudes

with those in your own plant. I think you will recognize them.

Recognition of these fundamental attitudes is vitally important for harmony in the plant, for greater efficiency, for beating back the clever and energetic penetration of Communists and Welfare groups.

Our national system is facing a critical world without and within. Business cannot sit back and "let government do it". Government is going to be controlled by public opinions in the long run. And the opinion of labor is the most important in opinions of the public. Unless labor continues convinced of the soundness of free enterprise, of the sincerity and honesty of American business, there will be no protection against the termites and it can eventually crumble as in other countries.

Are there any advantages to the workers in the system of private enterprise? Workers would be much interested in this information.

One worker in a Midwestern city said he was sure he knew why the "big fellows are so darned anxious to have this free enterprise they are shouting about all the time." It means they would have complete "freedom to exploit the workers." That is not only the understanding in his mind as to free enterprise, but represents one of the many distorted conceptions among the majority of workers.

It has been well said that an informed public is an intelligent public. If workers are not informed in matters of deep interest to them they cannot react intelligently as to propaganda and subversive ideas.

Management should always be certain, when it talks in public or to its workers, it uses terms so clear the meaning cannot be misunderstood.

Why is free competition and the system of private enterprise to their advantage—if it is? Can business explain this in terms of their own lives, their interests, instead of in terms of incomprehensible economics?

The worker reads and hears plenty of criticism of business. To him that means not only business in general. It means his company, too. Has anybody taken the trouble to give him any information to counter that as far as his company is concerned? There has been pointed out the difference in attitude where that has been done, but in most cases it has not.

So the worker looks at business, at industry, at capital, and he has a lot of questions.

What are the aims of business? So far as he knows, the only aim is to make all they can at the expense of workers. Is that true? If not, why doesn't business give him the facts?

Hasn't business anything to say for itself?

If business does not take the trouble to inform him, either business has no defense, or else business does not give a damn about the workers and their opinions, which is what he has already said. In most cases business is in the doghouse in the minds of workers.

The following verbatim comments are representative of many workers:

"Profits are too great. The company figures the cost of labor and material, multiplies it by two for overhead, then multiplies it by two for profit."

"Companies trick their figures by charging



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off depreciation too long. This car we are riding in (a pullman conductor speaking) has been on this run for over twenty years. It is not honest to continue still charging off depreciation on it."

"One company in this town had to give a wage raise. Then they fired a number of the men. The men figured that the raise cost the company \$145 a month, that the saving in pay of the men fired gave a cut of \$645. The company made a public statement that because of the wage raise they were losing money. That's another example of how companies misrepresent."

It is no wonder that opportunity is wide open for communistic and other pressure groups to sell their ideas.

There are many plans to give information to workers. How successful are these? Members of our Forum reported that two-thirds would like to receive financial reports from their company, but only one in five ever gets them. In other words, nearly half of all the workers would like to have such reports, but are not getting them.

How about the reports they receive?

Wage Earner attitudes are a family matter. The worker discusses his plant problems with his wife—more than does the white collar man or executive. The wife looks over these reports, too. The wife of a panel member wrote: "They are so legal they make very little sense."

That hits another responsibility to workers: to avoid the gobbledygook of the accountant and the treasurer's office.

The men want information. They look to the management men in the plants as the source—feel the big boss is a strange and remote person. Information must be given them, not only in language which is understandable, but in terms of the interest and relationship of the workers.

Yet their basic attitudes are sound, as shown in these representative comments:

"The company has to make money. If there are no profits for the investors pretty soon there will be no jobs for the men."

"All companies should give the employees

a true picture of how the business is going. My company does so. Every month they tell us how it has done business-wise that month."

"The company knows all about me. I should know about them. Their affairs are my business, just as it is their business to know about me."

"Both sides should give and take. They can't do it unless we know the facts. Most companies don't give the facts. Our company is fairly good on giving facts and information to the men. We machinists took a very small raise because we knew the company was up against it and so did not push our claims for a bigger increase."

"The workers should have shares of company stock so that they would know the facts of dividends, profits and the rest."

We know some Wall Street houses are aware of the workers as a source of capital—are trying to interest them in investing in stock. Maybe it would be smart if every company got some of its stock among its workers—not only for capital resources, but for better understanding.

The workers are no different from ourselves. Each is interested in his own job and situation. The business of the company is of interest to him as it may affect his personal situation. That is why it should be given him in terms which he can understand, by someone whom he can trust.

And that, gentlemen, is why the worker is your responsibility—you men in management.

Let's take a broader viewpoint than that of "labor relations." Your problem is "human relations."

There must be a constant two-way flow of information. Information must be given to the workers in specific terms, not generalities. It can best be done in relation to their own company.

When the workers don't know the company's problems, they think that all is rosy with the company.

Communism—socialism—"the soft option"—the welfare state—the impossible "something for nothing"—can be combated only with facts—steadily, persistently, intelligently—starting today, not tomorrow.

the theory of management and others give the foreman actual practice in management.

The top executive can get practical information as to what to do and how to do it from many management organizations.

The final factor in the success of his effort will be whether he really wants his foremen as actual management members.

Reason Number 3 concerns disagreement among top executives as to the advisability of thus using foremen. Certainly if there is a disagreement on this point, the plan will be seriously handicapped and stockholders had better look to the security of their investments.

Here again the top executive has the job of helping his staff executives discover how the foremen as managers will lighten their own executive jobs and enable them to accomplish a great deal more. Or if the chief executive is the hold-out, his staff members—provided they have the intelligence and guts to do it—should work out an effective sales plan through which they can help the top executive discover that his own job will be much easier and that having his foremen perform as able managers is one of the finest cures for executive ulcers.

Reason Number 4 is that where the plan has been developed along with a method for operating it—but nobody knows just how to start the ball rolling.

This is something like learning to swim. One starts the ball rolling for foremen as managers in the same way. The foremen learn to manage by managing something. They manage something when they are held responsible for managing it. They keep on managing when they are encouraged.

Reason Number 5 is serious. When top executives resent suggestions from foremen because they take them as criticisms of their own previous action, those executives are losing money for their stockholders.

Executives whose pride is easily hurt will find that subordinate executives, foremen and employees have a far greater respect for the big boss who is ready to acknowledge a mistake than for one who always tries to cover up his mistakes. That goes for the little boss too.

Reason Number 6 happens too often, yet its correction is simple. The top executive or his staff may believe a foreman's suggestion is good and intend to do something about it, but in the pressure of other affairs they postpone action until it is finally forgotten. Even then it is forgotten only by the executive and not by the man who made the recommendation. And when many foremen convince themselves that their suggestions are ignored by their executives—they stop making recommendations. When they reach that point they begin to lose money for their own company because their attitude becomes one of—"What the hell do I care!"

Reason Number 7 is another very common occurrence—where too few top managers take their foremen into their confidence. The very executives who are the most touchy about being "left out" are likely to be the ones

## CURRENT MANAGEMENT PROBLEMS

By Jack Wolff

**T**HE management problem that captures the headlines is the widespread failure of managers to secure productive teamwork between themselves and their employees.

The principle has become well established that foremen are management and that the rest of management cannot operate effectively without the foremen's active participation. Without the effective management teamwork of executives and supervisors, there can be no consistent and lasting improvements in the manager-worker relations, production or costs.

Why do top managers frequently fail to use foremen as active members of management to observe, analyze and solve management's problems? There may be hundreds of reasons—but the following ten are among the most frequent and important.

Let's look at the first—the top executive lacks confidence in the management capabilities of his foremen. Very often we hear the complaint "our foremen are more union-minded than company-minded." Or, "we can't trust

our foremen to protect the company's interest in handling grievances." This brings to mind the motto by which Collis P. Huntington operated—the man who built the Central Pacific and the Chesapeake and Ohio: "If you show a man that you believe in him he in turn will try to show you that you are not mistaken." Many top management members have shown confidence in the intelligence, the initiative and goodwill of their foremen to act as able management members. They and their company have profited by that confidence.

How does one go about showing this confidence? The answer is simple: a top executive must give management assignments to his foremen and believe that they want to and can perform them satisfactorily. Then he must give them the right to make mistakes.

Reason No. 2 deals with the top executive who does not know how to set up a workable plan. There are many successful plans through which foremen are management members. One such is that developed by the McCormick Company of Baltimore.

There are other methods. Some teach

most apt to "leave out" their own foremen and employees. Members of the top executive staff want to be "in the know." The foremen also want to be "in the know." All the employees will have much more confidence in the foremen who can put them "in the know."

The 8th reason is another that is too common. It concerns the top executive who tried a foreman-as-manager plan and considers the plan impractical because his trial didn't work out. When a principle apparently has failed, the chances are that the principle is right but the method of application was wrong. There was a motion picture on the life of Edison several years ago which stressed that he did not allow himself to be discouraged when another one of several hundred failures interfered with the successful invention of the electric light globe.

Reason No. 9 is common although not as common as formerly. Many executives still believe it a waste of time to consult foremen. Those managers feel it is easier, more productive and a real timesaver to tell the foreman what to do. There are other conscious or subconscious reasons which also come into play. Many employees who feel insecure may be irritable or try to bluff their way. The same thing can be true of foremen and be just as true of the executive.

Reason Number 10 deals with top executives who rely on direct messages from "the boss" to influence the thinking and actions of their employees without going through the foremen. There is a definite place in the internal public relations or employee relations programs for such direct messages from the big boss. But these

can never substitute for the foreman's direct contact with the employees. They can only supplement what the foreman is accomplishing.

I have asked thousands of executives, supervisors and workers in all parts of this country: "Who has the best opportunity to influence the employees—the company president, the department head, the supervisor in direct charge of the working force, or the union representative?"

Invariably the answers have come back that many supervisors and companies have lost their influence to the union representatives—but that the first line supervisor who works intimately with his people day after day has the best opportunity if he wants it and has the ability to influence people.

And that is the only way that top management ever will recover its influence over the people on its payrolls. But first, it will have to bring the supervisor into the management circle, help him grow and then support him with all the knowledge, training and help he needs for that job.

By O. H. P. Snyder  
(Second Day Session)

*In lieu of a narrative summary, the following in outline form was submitted covering Mr. Snyder's conference.—Editor.*

**M**R. O. H. P. Snyder pointed out the desirability of having a chance to talk over current management problems and suggested that these meetings could provide such an opportunity.

The foremen too have a direct responsibility—and a heavy one—in convincing their top management executives that they are willing and able to assume management responsibilities. Foremen need to prove to the top executives of their company that they are open-minded and searching for better ways of doing things. Foremen, to earn the right to practice their management functions, must also establish habits of self-development and growth. They must recognize their responsibility for the growth of their own employees.

Foremen need management problems to chew on. And the good Lord knows that the current management problems will never be solved by a top management group that makes all the decisions in an ivory tower of closely guarded private offices. Current management problems can be solved only by the free and constant interplay of information and ideas between all of the management members from the chairman and president to the youngest and newest supervisor on the payroll.

★ ★ ★

The broadness of the subject being considered was limited by an appraisal of the practical steps of putting new ideas to work.

The questions which were discussed came from members of the group. Each contributor introduced himself and his company. The problems which each wished to have discussed were listed on a large pad at the front of the room. The direction which the discussion followed can best be illustrated by



# SEED CORN

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Ask any farmer. The seed corn, the corn he'll use to plant next year's crop, is the most important thing he raises.

Not only this, he saves for seed the most perfect ears he has. For he realizes that only in this way can he improve the quality and abundance of his yield. He'd never turn his seed corn into muffins, however much he liked muffins.

A company such as ours saves seed corn, too. Our profits are our seed corn. From our profits, after taxes, we take a major part and plan for our future expansion. This seed corn or "profits" quickly

becomes "capital" and it goes to work immediately. It creates jobs. It builds new refineries, lays new pipe lines, discovers new oil wells, improves products for you. The public we serve is now asking for 50% more petroleum products than before the war. These re-invested profits are needed to enable us to increase supply and render better service to growing industry and the community.

All this is a "system". A system that creates jobs, supplies needs, keeps America the land of good living it is.

Do you know of a better "system"?







Great Lakes Steel's Leon Cummings, co-chairman of the Detroit NAF Convention, who presided at Friday morning sessions.

the subjects which were forthcoming from the members of the two groups. These were as follows:

1. The problem of maintaining consistency in management areas in the matter of grievance procedure and labor relations.
2. How can supervisory training programs be made down to earth and practical?
3. How can an understanding of the services supplied by other plant departments be effectively secured by shop supervision?
4. Should first line supervision have complete responsibility for handling labor problems?
5. How can we measure in dollars and cents the effectiveness of training?
6. Can the company successfully train their union officials as well as their management representatives?
7. What are the benefits of dual union-management time studies?
8. How can a more effective two-way flow of accurate information be achieved in industrial organizations?
9. How can controversial subjects best be presented in a factual and reliable manner?
10. How can the language of current union contracts be simplified?
11. How can you get a fair day's work for a fair day's pay?
12. How can employees be educated in terms of cooperative economic endeavor?
13. How can first line supervision be made to feel that they are a part of management?
14. Should the supervisor sell democratic free enterprise?
15. How can the gap between the worker's philosophy and the supervisory point of view best be bridged?
16. What should we look for in the selection of new supervisors?

Although time limits made it impossible to cover in detail all of the above subjects, ideas were contributed freely by members of the group. This sharing of experiences and company practices proved to be worthwhile in this consideration of *Current Management Problems*.

Women's tears are certainly the most efficient water power in the world.

## Management News

### Lockheed hits 1000th member mark

Burbank, Cal.—Membership in the Lockheed Management Club has reached the 1000th mark. Through efforts of the Booster organization, many new members have enrolled and are taking an active part.

Lockheed now has the largest membership of any NAF club on the West Coast. Starting in six years ago—in 1943—the membership has continued to increase, particularly during the last two years since the formation of the Booster Committee. About 15 members are assigned to each booster who is responsible for distributing announcements, dinner tickets, obtaining reservations for special events, and to receive suggestions and comments which are passed on to the Board of Control through the chief booster.

The Booster Committee has proved valuable in formulating and activating club programs.

### Grand Sheet has variety

Chicago—At September meeting of Grand Sheet Management Club Harry Coopland, NAF staff speaker spoke on loyalty in your home, to your employer, and community. His sense of humor put it over in a big way. Mr. Streicher (our plant superintendent) showed a color film of the far Northwest which he made while vacationing.

At October's meeting, James Shifo, club president, reported on the NAF Convention.

Mr. Robeson, chief industrial engineer at the Lanzit Co., gave a talk on the importance of the foreman's cooperation with engineering and time study departments. He also showed a film on motion economy.

Nomination and election of new officers were held: Vincent Owles president, Paul Mohoric, vice president, Leo Leonard, secretary, Sam Rainieri and Bernie Koppel tied for treasurer. Tie will be decided later.—*Leo Leonard*



Lockheed Management Club President Bob Pearson (left) holds a membership application ready while Booster Frank Nobile (center) collars Supervisor Louie Schouk to be member number 1000. "Congratulations, Men of Lockheed!"

## TWA tour popular

Los Angeles—Trans World Airline Management Club is finding that its "Come and see us" invitation to district management clubs is exceedingly well received and popular.

President Norm Homeier has just announced that three clubs have arranged to enjoy conducted tours of TWA facilities at International Airport here.

They include one hundred Weber Show Case Company Management Club members (TWA's Charles Lucas will head a group of the airline's personnel in welcoming their Weber friends.)

In November, Bob McCabe and Crew, of TWA, will welcome a big group from Fairbanks Morse Scale Co. of Pomona Management Club.

On December 1, approximately 125 members of the San Gabriel Valley Management Club will journey to the Airport to be shown TWA's extensive plant and operations by Bill Brenner.

## J. L. Hamilton talks to Marianna group

Marianna, W. Va.—Main attraction at August meeting of Marianna Supervisors Association was a delicious steak dinner at the Cow Shed, Pineville. Besides 26 of the 31 members present, there were two special guests: J. L. Hamilton, newly appointed operations vice president for the Island Creek, Pond Creek, and Marianna Smokeless



PAA Management Club (Pan American World Airways) hears Miami Master Singers under direction of Walter Svehla entertain with spirituals and folk songs at its October meeting in Miami.

Coal Companies and Jess Redyard, owner of the Redyard Coal Company and former chief of the Department of Mines for W. Va. Before going to the Cow Shed the group met at the main office at Marianna where Mr. Hamilton gave a very interesting talk on human relations. A Parker 51 fountain pen, a special door prize won by W. M. Jackson, was offered to promote attendance.

## Chicago area organizes

Chicago: Following the footsteps of Columbus, Louisville and other Councils, the Chicagoland area NAF Clubs organized the Chicagoland Coordinating Council.

President is Walter K. Johnson, Foremens Club, J. T. Ryerson & Son, Inc.; vice president, Cecil Schanz,



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## IT TAKES TEAMWORK...

The achievements of American industry are the results of the combined efforts of many . . . each of us is dependent upon the efforts of others for the fulfillment of our mutual objectives.

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As the coveted Harry H. Woodhead Leadership Trophy goes to Briggs Management Club of Briggs Manufacturing Company, Detroit, from the tireless hand of NAF National Manager J. E. Bathurst, the latter's own reflection, perhaps significantly, is caught in the trophy by the camera. Accepting the honor for the big Briggs Club is H. C. White.

Management Club, Dole Valve Company; treasurer, W. Bierman, Management Club, Inland Steel Company; secretary, Henry B. Ernst, Management Club, Scully-Jones and Company.

A smooth working team aiming for unity in management and outlining a definite educational program is the goal that the officers of this council are striving for.—H. B. Ernst.

## Grayson celebrates

Lynwood, Cal.—Grayson Administrative Conference members enjoyed the novelty of a dinner in the famous "New Grand East Cafe" in Chinatown September 27.

There was a joyous celebration as they had just been officially notified by Don Hart, Zone A director, that they had won both the Zone "A" and the National Shop Club Awards of the NAF.

Considerable time was given to the program of scholarships and the coming election of officers.

Main speaker was Glenn Hovey of the Better Business Bureau, who talked on "Before You Invest, Investigate." Meeting closed with pledge of allegiance to the Flag.—J. McMillan.

## Columbus Club sees Bell exhibit

Columbus—The nationwide exhibit "Looking Ahead with the Bell System" was shown in Columbus, September 1 to 16, as one of the first cities for road showing. The Foremen's Club of Columbus arranged to hold a special showing for management men and their

families. September 16 was designated as "Foremen's Club Day."

The group saw and heard, by individual earphones, a toll operator "key pulse" a long distance call the length of the continent in less than one minute. The "super-highways" (copial cable) carry numerous simultaneous telephone conversations, radio and television programs. Various displays gave everyone a liberal education on radio-relay, electronic impulses, and transistors. This transistor, no larger than a lead pencil in circumference and less than one inch long, replaced large vacuum tubes in repeaters which carries the voice over long distance. The automatic message accounting equipment was demonstrated and you could see how it records, in code, your phone number, the party you called, the time you called, the time you stopped your call, the zone number of the city you called and the amount you owe, plus tax. Then, as you stand there, the complex machinery quickly unscrambles these codes and prints the information from the paper tape on a ticket ready for billing.

Space does not permit us to tell of the many wonders of modern communication and the members of the Foremen's Club of Columbus who attended urge you not to miss the exhibit when it hits your home town.

Its dinner meeting October 6 was "Civic Night" and had as its sponsor the Columbus Auto Parts Company, R. E. Klages, president. Club President Elden H. Davis and the officers and members recently returned from the Convention, reported to the Club.

Graduates of the Club's Training Courses in September were awarded

certificates.

Speaker was Fred Smith, vice president of the Powell Company, Cincinnati, who spoke on "Management—The Responsibility of Leadership."

## Wolman at Toledo

Toledo—Devaluation of Great Britain's pound will do a little good for a limited time, but not for long, for costs of British goods, already too high, will go higher, Dr. Leo Wolman, Columbia's professor of economics, declared in a September address at the 25th anniversary year meeting of the Foremen's Club of Toledo.

"Great Britain, which must still buy raw materials, will find costs rising, a situation which will result in higher wages and increased prices for finished products," he said.

Dr. Wolman told the 1,200 foremen and executives at the dinner meeting that costs were out of control in the U. S. as well as in Britain, a situation which tends to ruin the competitive system. American business may yet be ruined by these costs, the speaker said.

Collective bargaining today is pretty much a process of taking authority away from management, a situation which is a bad one for there has to be a point where management is free to manage, Dr. Wolman declared.

The silver anniversary year of the Foremen's Club promises to be a star-studded one, officers revealed, for anticipated speakers are such leaders as C. E. Wilson, president of General Motors Corp.; K. T. Keller, president of the Chrysler Corp.; Fred Maytag, president of the Maytag Co.; James D. Wise, president of Bigelow Sanford Carpet Co., and Joe E. Brown.

## Armco tours Sheffield

Houston—In the second of a planned series of plant tours, the Armco Foremen's Club visited the Houston plant of Sheffield Steel Corporation. After dinner, members were conducted through the bar, wire and plate mills. Tour was climaxed by the always spectacular topping of one of the many furnaces. Sheffield is one of the new industries in the Houston area, having grown since 1940 into a plant investment of over \$75,000,000 and a new expansion program has just been announced.—J. D. Harmier.



Marianna Supervisors Club of Marianna Smokeless Coal Co., Marianna, W. Va. enjoy steaks at August meeting following human relations address by Vice President J. L. Hamilton of Island Creek Coal Co.



## Exec's panel at Douglas

Santa Monica, Cal.—The September 8 meeting of the Douglas Management Club was the most outstanding since its inception. This was due to the presentation by the panel of Douglas executives, dubbed the "power panel." The topic was "Contract Requirements of the U. S. Airforce, Specification R-1800-E".

The discussion developed a flood of vital information needed and wanted by attending members. The contents of this specification are very general in their requirements, but refer to some 2,000 additional specifications, which are very specific in their requirements and affect every supervisor, foreman, and employee.

L. E. Tollefson, Company secretary, acted as moderator and so organized the group and discussion in the form of a football team—making each member who represented major functions and departments, a vital player of the team.

Each "player" was called on to point out the salient fundamentals of the specification as it affected his department and functions and how he coordinated with other members.

The coach responsible for preparing the breakdown of subject matter and deserving of a big hand was Harry Williams, chief inspector. Panel members were: J. A. Dundas, assistant corporation counsel; E. B. Sporleder, administrative engineer; F. T. Wood,

Jr., chief process engineer; L. A. Carter, plant manager; C. S. Glasgow, manager, Tooling Division; H. O. Williams, chief inspector; D. J. Bosio, director Materiel Division.—J. M. Druliner.

## Aluminum Ore sets essay contest

E. St. Louis, Ill.—The Aluminum Ore Foremen's Club is sponsoring an essay contest for children from seventh through the twelfth grades here and for children of company employees wherever they live.

This was announced in local newspapers. Superintendents of both the public and parochial schools have encouraged the children to enter.

The essay's title will be "East St. Louis in 1975". The children are to write how they would like to see the town improved—how they would like it to be in 25 years. It will give them a chance to do some "imagineering" and get an award, if good enough.

Contestants will be divided into two groups. One will consist of the 7, 8 and 9th grades—the other, contestants in the 10, 11 and 12th grades.

Identical awards will be made to each group. First place will be awarded a \$25 savings bond. Second place, \$10 in cash; third place \$5; next 15 \$1 each. The contest will end at midnight November 19. Children of members of the Club are not eligible.

Prizes will be awarded on originality and aptness, composition, grammar,

neatness. Awards will be made as soon as judging is completed.

The contest is being held to further the good public relations the Club now enjoys in this area. The contest should cause a lot of constructive thinking which should help any city.

Contest committee, R. J. Scharbert (chairman), E. L. Wahlsten, R. V. Bullock, Dr. V. M. Stowe, and H. B. Stere are now selecting judges.

Much time is involved in this contest but the Club thinks it is well worth the effort.—R. J. Scharbert.

## Taloe going strong

Oakland, Cal.—The Taloe Management Club of Transocean Airlines, Oakland Airport, recently held their October meeting as guests of the Transocean Airlines Management at Pland's Villa Restaurant in San Lorenzo. Practically all members were present to hear a vital discussion on labor management relations by Mr. Frembling, industrial relations supervisor of Caterpillar Company of San Leandro. At the conclusion of Mr. Frembling's address, discussion was held.

The Taloe Management Club was formed last January at the instigations of Ralph Funk, personnel director of Transocean Airlines. Roy Bell, West Coast representative (NAF) made the initial address concerning the benefits from association with NAF. Practically a unanimous response was made by the supervisory personnel of

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# SANGAMO ELECTRIC COMPANY

SPRINGFIELD, ILLINOIS



Winner of the national award as the top management club among the shop club class across the nation is Grayson Administrative Conference, Grayson Controls Division of Robertshaw-Fulton Controls Company, Lynwood, California. Here H. H. Minister (left) congratulates T. H. Jeffers.



In the city club class from coast to coast The Foremen's Club of Toledo, Ohio emerges the winner as this year's top management club. Toledo Club's B. Driscoll (right) smilingly accepts congratulations from H. H. Minister who made the presentation.

Transocean Airlines and their subsidiary companies, and as a result, a vigorous program has been undertaken to improve our supervision.

The Club participated in the national convention, sending Chuck Hobdy, (Club president) who presented a complete report.

Visits to other aircraft installations have been made. A picnic was held in July for members and wives. At the September meeting, movies of San Francisco "49ers" football team in action against the Cleveland Browns were shown. Lee Giroux, noted football sportscaster, was guest speaker. The Club looks to an interesting season this fall.

### Douglas men learn about investments

El Segundo, Cal.—"Your Savings for the Future" was the subject of the Douglas El Segundo Management Club's meeting, October 13 at the Inglewood Country Club.

G. B. Cray, a Pacific Coast partner and one of the founders of the E. F. Hutton Company acted as moderator of the panel type meeting. Included on the program were, John Hesnault, manager of the Beverly Hills Branch of the Brokerage Concern, who explained the workings of the stock market. Hesnault's address was followed by an explanation of how current changing conditions effect the market and savings, by Howard Mills, Los Angeles economist and investment counselor.

Third speaker was Jack Carter, Pacific Coast partner of the Vance-Sanders Company, Bond Investment distributors, who discussed the devaluation of the British pound.

Following the three speakers, Cray presided over a discussion session during which questions from the management men were answered by the speakers.—Tom Mone.

## Huntington conference tops past records

By E. S. Maclin

Marshall College

Huntington, W. Va.—Enrollment for the Fifth Annual Foreman-Manager-Personnel Conference here, sponsored jointly by Huntington-Foreman-Manager Club, Huntington Personnel Association and Marshall College was the largest in its history. Three hundred eighty-five were in attendance. Interest was high, the program was well received.

Theme was "Building a Better Management Team". It might have been "The Individual is the Thing," for speaker after speaker emphasized the worth and importance of each individual in an organization. The employee is no longer \$1.98 worth of chemicals, but is a thinking, forward looking person, whose experience and ideas must be drawn out and used.

Dr. Harry E. Teabrock, opening

speaker, said: "Good management can never be a grandstand play by one individual, but demands coordinated action by all in management as a team, complementing and helping each other to achieve our common objective, 'service with profit', with benefits for all."

The panel discussions were actively and thoughtfully received. One panel member, W. E. Lunger, American Car and Foundry Co., gave the audience this thought: "We believe in a free enterprise system and while our existing plans may seem adequate when viewed from the present, the factors affecting them are constantly changing. The job of looking for lower costs is a continuing one. This requires flexible, realistic, organized and continuous planning, hence management supervisory training programs. Let us accept the challenge with courage, ingenuity, resourcefulness and strength, provide courageous leadership and



When 385 attended the recent Fifth Annual Foreman-Manager-Personnel Conference sponsored by Huntington (W. Va.)—Foreman-Manager Club, Huntington Personnel Assn. and Marshall College.



Membership Certificates award in shop management club class is won by United Air Lines Foremen's Club of United Air Lines, Chicago. H. H. Minister (left) congratulates F. Spink.



Membership Certificates award in city management club class is won by San Gabriel Management Club, Monrovia, California. S. Newson (left) presents it to A. F. DuFresne.

chart our course for lower costs and a better America."

In another panel on training, F. S. Laffer, Cleveland Graphite Bronze Co., told this experience of his own company: "The President discussed the financial position of the company with the employees just as he had a week previously discussed it with the stockholders. There was a question period. The employees learned from personal experience that there were no secrets about the management of the company's business. They learned that every one in the company was interested in their welfare and in their knowing the facts."

Cliff Meadows, C. and O. Railroad, speaking on incentives said: "The purpose of incentives is to develop human power, but the motive behind the application of these incentives is of major importance. No matter what incentives are operative, if they are applied for the sole purpose of producing a greater profit for the company, they will pro-

duce a type of man in whom self interest predominates. On the other hand, where incentives are designed and applied to add to the individual and company well-being, the employee's interest will do a great deal more than merely increase profits."

In his address, Dr. George D. Heaton made a strong plea for the recognition of the value of each employee. He must be more than a cog in the machine. He must be known by name, his position must be recognized as one essential in the operations. The traits of men must be studied and through this knowledge the proper guidance can be given.

### Dodge holds outing

Mishawaka, Ind.—The Dodge Supervisory Forum held their annual outing at Tabor Farm near Sodus, Michigan on September 17. A novelty golf tournament, a regular golf match, horse-



Novelty golf match at Dodge Supervisory Forum (Mishawaka, Ind.) outing. Left to right: Carl Phillips, Ares Nolke, Ed Rhodes, Omer Boulanger, Carl Raugh, Don Saunter.

shoe pitching, shuffleboard and card games provided entertainment. The outing was an all-day affair and included two meals.

The election of officers resulted in Leo Joyal, president; Carl Phillips, vice president; Don Gates, secretary; Harry Spaeth, treasurer.

At the October meeting new officers were installed.

The Sympathy Committee has Orville Wachs as chairman, the Membership Committee chairman is Carl W. Petersen, and publicity is in charge of your correspondent.—George Lanning.

### Committee chairs filled by Hodapp

Dayton—Appointment of the following committee chairmen by President Hodapp for the ensuing year was approved by the Board of the NAF:

**Activities and Awards**—Harold H. Minister of Painesville, Ohio; **Club Service and Education**—J. R. Lock of Fort Worth, Texas; **Membership**—Frank H. Coupland of Birmingham, Alabama; **Public Relations**—E. F. Butler of Newton, Iowa; **Scholarship**—E. D. Sams of Parkersburg, West Virginia; **Ways & Means**—Harold B. Lyda of Kansas City, Missouri; **Publications**—J. P. Field of Cincinnati, Ohio; **Indoctrination**—L. F. Magruder of Meadville, Pennsylvania.

### Duraloy elects officers

Scottdale, Pa.—The Duraloy Foremen's Club has chalked up an attendance record of 60 per cent for the first two years of operation. Election of officers results were: president, G. Weber; vice president, F. Campbell; secretary, D. Laughrey; treasurer, A. Lewis. Board of Control: F. Mercer, T. O'Toole, G. Huey, P. Geer, Robert B. Heyward.—R. Heyward.

It is but a short step from the critical to the hypocritical.





Group of Oliver Management Club members (Springfield, Ohio) and visitors watching a lime sower in action.

## Good deed at Formica

Cincinnati — A new and practical twist in good human relations developed recently at the Formica Company as a result of a "chain reaction" in thoughtfulness.

A group of engineers and laboratory technicians associated with Formica had presented a television set to George Clark, vice president, to entertain him during convalescence following an operation. When he was "up and about" Mr. Clark promptly presented the set to the Personnel Department for use by other convalescents on a "loan out" basis. "I would like to have other Formica employees enjoy it the same as I have," Mr. Clark stated.

First to benefit from Mr. Clark's action was Mr. Charles Axman, Treating Department employee, who declared: "Needless to say I have passed many happy hours—in fact all except when I sleep, watching television. Due to Mr. Clark's thoughtfulness, the other fellow who might become bed-fast or house-bound will be able to mix pleasure with illness as I have.—R. H. Bockelman.

## Product Education Day

Springfield, Ohio—On September 21, the Management Club of the Oliver Plant here held a Product Education Day at the Oliver Experimental Farm south of Springfield. Invited guests included representatives of the various dealer organizations in the surrounding area and representatives of the sales branch of the Corporation.

The purpose was to acquaint Oliver supervisors with the products made here and to show them, and the visitors, what improvements are on the way.

A barbecued dinner was held at the field after the meet.

## Oliver clam-bake

Cleveland—There is nothing like corn on the cob, chicken, and clams cooked out-of-doors. That was the general feeling when the men of Oliver-Cletrac Management Club held their annual clam-bake on September 17 at Diamond Lake.

Afterwards, the members enjoyed softball and horseshoes. Walker Fickes and George Henderson showed their

barnyard skill by taking on all comers in the horseshoe play. Elmer Enders might have come through had he not been handicapped by a partner who was slightly overweight and more than a little out of condition. The day was a success and already they are looking forward to next year's event.—L. D. Ogle.

## Hodapp gets 'congrats'

Detroit—From across the country management people continue to send congratulations to B. A. Hodapp, re-elected unanimously to a fourth term as president of The National Association of Foremen.

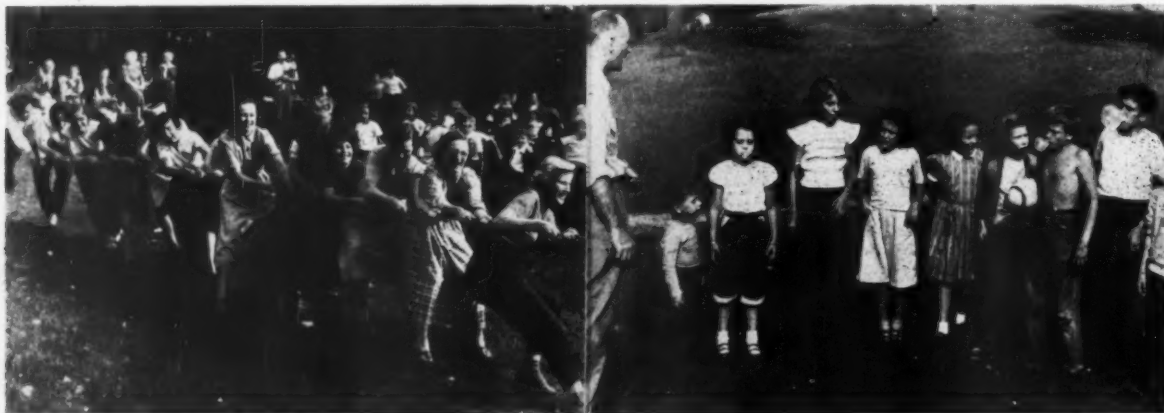
Typical of the messages was this first arrival during the Convention from the alert Blaw-Knox group of management clubs. It read:

"Extend our heartiest congratulations to Mr. B. A. Hodapp on his re-election to the presidency of the "NAF" and also assure him of our continued cooperation and best good wishes. Blaw-knox Division Foremen Club, Lewis Foundry Division Foremen Club, Pittsburgh Rolls Division Foremen Club of Blawknnox Company."—J. C. Smith, Blawknnox Division.

## Tube men picnic

Gary, Ind.—Marquette Park was scene of second annual picnic for the supervisor's and their families on September 17. Over 200 wives, children, and the fellow who thinks he's boss, attended and took part in the day's festivities. A so-called baseball game was arranged between the big shots (superintendents) and the little shots (foremen). The outcome of the game was a little uncertain as the score keeper stopped counting after each side had score over 20 runs.

Entertainment for the family consisted of a tug-o-war, and shoe race for the women, and races and games for the kiddies. An excellent picnic dinner was provided by Factory Stores. Full credit for a well planned event goes to Harry Eberhardt and his hard working picnic committee: Carl Tison, Virgil Erickson, Warren Thorpe, Wilbur Eklund, Charles Darrell.—Marty Schmidt.



Part of the 200 wives and children enjoying September picnic of National Tube Supervisors Club (Gary, Ind.).

## Oliver hears Dornfield

South Bend, Ind.—Initial dinner meeting of the Oliver Management Club was held September 22 at the LaSalle—attendance 115.

Joseph Drain, chairman, presided. Music was furnished by a roving accordionist.

Feature of the evening was Speaker "Bill" Dornfield, an orator full of wit and fun.

Messrs. "Dick" Eager and John Guendling attended the National Convention in Detroit.

During the Convention C. C. Drake, club co-ordinator, Chicago, called a special meeting of all Oliver representatives. The time was devoted to the discussion of passing between clubs information of activities. Management nights, Club budgets, and educational activities also were considered.

The meeting adjourned, after a three-hour session, for a social gathering typical of the friendliness and congeniality of Oliver Management Clubs.—*J. E. Guendling.*

## Carborundum hears Clark

Buffalo—High spot of Carborundum Club activities was a talk by our company president, H. K. Clark, at our September meeting. "Tony" gave a complete picture of the Company's business, putting his message across by extensive use of charts and graphs. Few realized the talk lasted two hours



New officers (1949-50) of The National Association of Foremen elected at the recent Detroit Convention. All are Zone vice presidents unless otherwise designated. Left to right (seated): W. E. Landis, Briggs Manufacturing Co., Detroit; Ray Arduser, Farley & Loetscher Mfg. Co., Dubuque, Iowa (executive vice president); B. A. Hodapp, Peerless Saw Co., Columbus, Ohio (president); Joseph E. Cox, Delco Products Divn. GMC, Dayton, Ohio (secretary-treasurer); T. A. McCann, Sylvania Electric Products, Inc., Emporium, Pa.; (standing): B. W. Messer, Lockheed Aircraft Corp., Burbank, Cal.; L. R. Porterfield, American Air Filter Co. Inc., Louisville; Alan H. Thompson, Pratt & Litchworth Co., Inc., Buffalo; Albin Szybko, Lien Chemical Co., Chicago; W. R. Thigpen, United Air Lines, Seattle; Lloyd Haney, Dana Corp., Toledo; Samuel T. May, Armco Drainage & Metal Products, Inc., Houston.



OPERATIONS ZONES OF THE NATIONAL ASSOCIATION OF FOREMEN, nine in number, with vice presidents for each are: ZONE A—B. W. Messer; ZONE B—Samuel T. May; ZONE C—Lloyd Haney; ZONE D—T. A. McCann; ZONE E—L. R. Porterfield; ZONE F—W. R. Thigpen; ZONE G—Albin Szybko; ZONE H—W. E. Landis; ZONE I—Alan Thompson.

and all appreciated the complete explanation of the Company's position.

Four representatives went to Detroit to the big convention. William Ruffner, Donald Clayton, John Craig, Hartley Eaton were the lucky members. Mr. Ruffner tells us the convention showed a great deal of preparation to insure its success.—*Roy Shelso.*

## Roberts at Cincinnati

Cincinnati—Mason Roberts, Dayton (Ohio) works manager of all Frigid-air plants, addressed the September dinner meeting of the Foremen's Club of Greater Cincinnati in the Hotel Metropole.

Under a new plan, meetings for the

season will be co-sponsored by Cincinnati firms. The William Powell Co. was co-sponsor of the first meeting.

## Forty delegates from W. Penna group

Pittsburgh—The 1350 men constituting the Western Pennsylvania Affiliated Clubs of the "NAF" were represented at the 26th Annual Convention in Detroit by some 40 delegates representing such progressive clubs as: Steel Age, Corry; Hays, Erie; Rieco, Greensburg; Robertshaw, Youngwood; Spang-Chalfant, Etna; Dravo, Pittsburgh; National Tube, McKeesport; Lewis Foundry, Pittsburgh; Pittsburgh Coke and Chemical, Pittsburgh; Talon, Meadville; Universal Cyclops, Bridgeville; Duraloy, Scottdale; Blaw-Knox Division, Pittsburgh; Sylvania, Emporium; Follansbee, Pittsburgh.

We are proud that Director J. Fred Magruder of Talon was re-elected and that M. S. McAllister of Dravo, James McGettigan of National Tube, W. G. White of Blaw-Knox Division, and Ralph Jones of Robertshaw, were elected as directors of Zone D. Congratulations to all!

The Pennsylvania State get-together held in the Pittsburgh Coke and Chemical suite was attended by some 90 convention delegates including such dignitaries as T. H. Jeffers, president of Grayson Controls Club; Capt. Humphrey Jones, Great Lakes Steel; Clifford Avery, Post Cereals; E. W. Mc-



NAF Zone A Vice President B. W. Messer points out features of the new Oldsmobile—to be awarded in Zone's "educational and benefit" drive—to West Coast NAF Manager Roy Bell. Not only will a lucky contributor win this beauty, but the one who gets his contribution will get a new Ford.

Aleer, Briggs; Past President (NAF) F. J. Schaeffer and Mrs. Schaeffer; Past President (NAF) C. H. L. Thompson and Mrs. Thompson; F. R. Smith and Mrs. Smith; Past President (NAF) H. G. Evans and Mrs. Evans.

The guests all introduced themselves and then demonstrated their ability by participating in childhood games. Group singing led by Blaw-Knox Division's Bill White was enjoyed by all in both the Tuller and Statler Hotels and on adjacent street corners. The Theme Song, "We're the Boys from Pennsylvania" will be long remembered.

Comments were that the Pennsylvania State get-together was the finest ever held at any NAF convention.

Our most sincere thanks to the sponsoring clubs of the convention—a grand job for a grand cause. We express, too, our appreciation to all whose tasks were the small things that make a convention great.—John Smith.

## What Price Security?

From Page 17

provide us with a better foundation for analyzing and evaluating what we read and hear. It's time for us to stop thinking by proxy. Time to reach our own decisions based on our own investigations. We must take our brains out of storage—use them to repel our economic ignorance that has brought us to the brink of Socialism.

Fortified with a thorough working knowledge of our system we would be prepared to intelligently discuss it with the people with whom we work. You've got to take your product to market if you want to sell it. The biggest market for private enterprise and freedom lies with our millions of wage earners.

How often do any of us actually take time to discuss with those we supervise such subjects as the value of tools, re-

lationship of profits to job security, necessity of an incentive return on stockholders' investment, oppressive burden of business and personal taxes, importance of financial reserves, the price of security in a welfare state?

Elections are won in precincts by ringing doorbells—not on the radio or billboards. Just so, the American enterprise battle must be won in the precincts of business and industry.

Such a program of education, coupled with a campaign to interest every citizen in participation in affairs of government at the community level and to sell the importance of expressing their wishes at the polls, would be a mighty step toward giving America back to the people. The ever-widening influence from the group represented here today could change the entire thinking of our nation.

In all our presidential elections since

1920, the highest percentage of our population casting their votes for the winning candidate was 21 per cent. If we were told today that our right of franchise had been taken away, we would let out a cry to the high heavens. Yet having the right, too few of us exercise it regularly.

I dare say every man here has, on occasion, been critical of his local, state and federal representatives. But how many can name our City Councilmen, County Supervisors, State Representatives, Congressmen, United States Senators? How many in the last year have personally contacted our government representatives regarding legislation? How many of us have ever done so? Unless we begin doing so—and soon—we are apt to find the opportunity for free expression denied us.

John Stuart Mill, the eminent economist, has aptly stated the case in these oft quoted words:

"A people may prefer a free government, but if from indolence, or carelessness, or cowardice, or want of public spirit, they are unequal to the exertions necessary for preserving it; if they will not fight for it when it is directly attacked; if they can be deluded by the artifices used to cheat them out of it; if, by momentary discouragement or temporary panic or a fit of enthusiasm for an individual, they can be induced to lay their liberties at the feet of even a great man or trust him with powers which enable him to subvert their institutions—in all these cases they are more or less unfit for liberty; and though it may be for their good to have had it even for a short time, they are unlikely long to enjoy it."

I submit that if we, the men in industrial management, have sufficient devotion to the American Enterprise System to act positively in its defense, and fight for its preservation, we can be the most potent force in America toward restoring the Republic and perpetuating the



Partial view of clam-bakers from Oliver-Cletrac Management Club at September outing.



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*Grow or "Go"* From Page 26

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Washington From Page 6

compulsory bargaining rights. Just a few weeks ago, delegates of this organization met together and the organization's president outlined a campaign for use in the Congressional elections of 1950. Its fire is to be directed against those members of Congress who permitted the Taft-Hartley Act to remain on the books.

The year 1950 promises to be an interesting one both because an important national election will be held and

## MANAGE November 1949



A lot of us must shift from keen but expensive hindsight to habits of sharp and productive foresight.

☆☆☆

Those who learn to mould their mistakes into constructive experience are making headway.

☆☆☆

Even as Necessity is the Mother of Invention, so Fear is the Father of Competition.

☆☆☆

**In controversial issues, if the affirmative side refuses to speak, the negative side will fill the void.**

☆☆☆

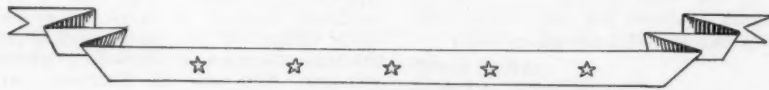
The disappearance of the sturdy independent-minded, freedom-loving individual, and his replacement by a servile mass-mentality is the greatest human menace of our time.

☆ ☆ ☆

You cannot make moral fibre out of money — you can make it only out of men.

☆☆☆

There are no barbed-wire fences, electrified walls or machine gun emplacements to keep people in non-Communist Europe from sneaking under the Iron Curtain *into* Communist territory. But the borders of Iron Curtain countries are so heavily guarded that it is worth your life to try to sneak *out* of Communist territory.



because of attempts that may be made to change existing law relating to supervisors and other fields of labor management relations and to enact new legislation. It is to be hoped that the Congress will be adjourned for two or

three months. It is difficult for the average member to gain a perspective of the legislative forest and the needs of the country if he must remain constantly in attendance at daily sessions in the Capitol.

STATEMENT OF THE OWNERSHIP,  
MANAGEMENT, CIRCULATION, ETC.,  
REQUIRED BY THE ACT OF CON-  
GRESS OF AUGUST 24, 1912, AS  
AMENDED BY THE ACTS OF MARCH  
3, 1933, AND JULY 2, 1946

OF MANAGE, published monthly at Colum-  
bus, Ohio, for September, 1949.

STATE OF OHIO } ss.  
COUNTY OF MONTGOMERY }

Before me, a Notary Public in and for the State and county aforesaid, personally appeared Irwin Lamp, who, having been duly sworn according to law, deposes and says that he is the Editor of the MANAGE Magazine and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management, etc., of the aforesaid publication for the date shown in the above caption, required by the act of August 24, 1912, as amended by the acts of March 3, 1933, and July 2, 1946 (section 537, Postal Laws and Regulations), printed on the reverse of Form 3526, to wit:

1. That the names and addresses of the publisher, editor, managing editor, and business managers are: *Publisher*—The National Association of Foremen, 321 W. First St., Dayton, Ohio; *Editor*—Irwin Lamp, 321 W. First St., Dayton, Ohio; *Managing Editor*—None *Business Manager*—None.

2. That the owner is: The National Association of Foremen, a non-profit Association incorporated under the laws of the State of Ohio.

3. That the known bondholders, mortgagees, and other security holders owning or holding 1 percent or more of total amount of bonds, mortgages, or other securities are: None.

4. That the two paragraphs next above, giving the names of the owners, stockholders and security holders, if any, contain not only the list of stockholders and security holders as they appear upon the books of the company security holder appears upon the books of the but also, in cases where the stockholder or company as trustee or in any other fiduciary relation, the name of the person or corporation for whom such trustee is acting, is given; also that the said two paragraphs contain statements embracing affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders who do not appear upon the books of the company as trustees, hold stock and securities in a capacity other than that of a bona fide owner; and this affiant has no reason to believe that any other person, association, or corporation has any interest direct or indirect in the said stock, bonds, or other securities than as so stated by him.

5. That the average number of copies of each issue of this publication sold or distributed, through the mails or otherwise, to paid subscribers during the twelve months preceding the date shown above is ..... (This information is required from daily, weekly, semi-weekly, and tri-weekly newspapers only.)

IRWIN LAMP  
(Signature of Editor)

Sworn to and subscribed before me this 12th day of September, 1949.

[SEAL]

Ardel Frolick,  
Notary Public  
(My Commission expires  
February 26, 1950.)



"CHAIN REACTION" IN THOUGHTFUL-  
NESS—Formica Company Vice President  
George Clark presents television set (for  
Company convalescents use) to Personnel  
Director Wm. Fentress after it had been  
given the v.p. during recent illness.

## President's Address

From Page 15

my four bucks?" That's an English adjective. What are you giving; what are you doing to make NAF a stronger and a bigger organization that will bring you and the organization additional advantages? You have to give to appreciate what you are getting—to be a definite part of anything.

**The American enterprise and American industry are on trial.** The American way of life, those things your ancestors and mine fought and died for, rests to a great extent upon you and men like you to whom your workers and your neighbors look for guidance and direction.

Men, we are either a team or a tragedy. We hang together or we hang alone. There is no middle course. There is no compromise. The battle lines are drawn. The issues are clear. There is no place for management divided in its own course. If we indulge in strife and bickering, in management, we invite economic chaos and national collapse. But in face of the forces of destruction and dissension we will win because we work on the principle of that which is right—not that which is expedient—that which is constructive, cooperative and positive not that which is destructive, dissenting and negative.

In closing I would like to leave you with this challenge: the NAF, The National Association of Foremen, offers the only hope for the continued success of the American foreman, American business, American enterprise and American democracy. You are either a lukewarm supporter, talking a lot and doing little or you assume your rightful share of the responsibility and enthusiastically support by deed and action those things we profess to uphold as the true salesmen of democracy which you are. And you Mr. Foreman, are the only contact between executive management and the worker—between the producer and the stockholder—and if you don't do the job it can't successfully be done. We in America believe in you and we know you will do your job. Don't let us down. Thank you.

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